

RESOLUTION NO. 28-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING AN AGREEMENT BY AND BETWEEN THE CITY OF MESQUITE, TEXAS, AND EARL AND LUANNE BOURLAND RELATING TO FARM CASH LEASE.

WHEREAS, the U. S. Department of Agriculture Farm Service Agency administers agriculture programs to eligible crop producers in managing risk associated with farming; and

WHEREAS, the City of Mesquite, Texas, owns certain undeveloped acreage designated for future public and private development; and

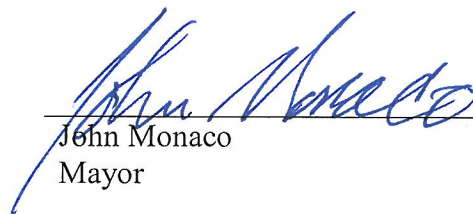
WHEREAS, there is herewith submitted to the City Council of Mesquite, Texas, a proposed Farm Cash Lease Agreement by and between the City of Mesquite, Texas, and Earl and LuAnne Bourland for agricultural purposes; and

WHEREAS, upon full review and consideration of the Farm Cash Lease Agreement, and all matters related thereto, the City Council is of the opinion and finds that the terms and conditions of said Agreement should now be approved, and that the Mayor is authorized to execute the Agreement on behalf of the City of Mesquite, Texas.

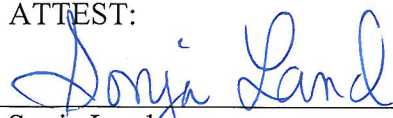
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the Farm Cash Lease Agreement, attached hereto as Exhibit "A," having been reviewed by the City Council of the City of Mesquite, Texas, and found to be acceptable and in the best interest of the City and its citizens, be, and the same is hereby, in all things approved, and the Mayor is hereby authorized to execute the Farm Cash Lease Agreement on behalf of the City of Mesquite, Texas.

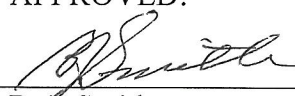
DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 18th day of August, 2014.



John Monaco
Mayor

ATTEST:


Sonja Land
City Secretary

APPROVED:


B.J. Smith
City Attorney

EXHIBIT "A"

Farm Cash Lease Agreement

THE STATE OF TEXAS

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FARM CASH LEASE AGREEMENT

COUNTY OF DALLAS

This FARM CASH LEASE AGREEMENT (“Agreement”) is made by and between the City of Mesquite, a Texas home rule municipality (hereinafter referred to as “Owner”) and Earl and LuAnne Bourland (hereinafter collectively referred to as “Lessee”), for the sole purpose of crop production pursuant to the Agricultural Act of 2014 (2014 Farm Bill), as now and hereafter amended and/or replaced and all other applicable federal, state and local laws and regulations, subject to the following terms and conditions:

1. **Leased Premises.** Owner hereby leases to Lessee the surface only of the following described property, designated by the U.S. Department of Agriculture Farm Service Agency (FSA) as Farm 1987, herein referred to as the “Farm”: (i) That portion of property on the west boundary of the Mesquite Metro Airport consisting of approximately 50 acres, being a strip of land approximately 833 feet wide and 2,616 feet long, together with a 60-foot access easement to Scyene Road, designated by the FSA as Tract 2222 and a portion of Tract 2220 of Farm 1987, more particularly described and located as shown on “Exhibit A” attached hereto and made part hereof for all purposes; and (ii) that portion of property approximately 833 feet west of the intersection at Scyene Road and Berry Road consisting of approximately 50 acres, being a strip of land approximately 800 feet wide and 2,700 feet long, designated by the FSA as Tract 2219 of Farm 1987, more particularly described and located as shown on “Exhibit B” attached hereto and made part hereof for all purposes. If there is any conflict between the description of the Farm contained in this Section 1 and the legal descriptions attached hereto as Exhibits “A” and “B”, the legal descriptions attached hereto as Exhibits “A” and “B” shall control and shall constitute the property subject to this Agreement.

2. **Term.** Unless sooner terminated as provided herein, the term of this Agreement shall be for an initial period of one (1) year, commencing on the 1st day of October, 2014 and terminating on the 30th day of September, 2015. After the initial term of one (1) year, unless terminated as set forth herein, this Agreement shall automatically renew for successive one year terms upon the expiration of the previous term unless written notice is given by either Owner or Lessee of their decision not to exercise this renewal option at least 60 days prior to the expiration of the current term. All of the terms and covenants of this Agreement apply to all renewal periods, subject to amendment by mutual agreement of both the Owner and Lessee in writing and signed by both parties. The initial term and each renewal term may be terminated prior to the expiration of such term by either Lessee or Owner as more fully set forth in Section 12 of this Agreement.

3. **Rental.** Lessee agrees to pay Owner, at Owner’s address set forth in Section 20 of this Agreement, as cash rent for the use of the Farm, a lump sum payment of five hundred dollars (\$500.00) per year payable to Owner on or before October 1st of each year. Lessee and Owner agree that the Owner shall not be responsible for any labor, fuel, utilities, agricultural product costs or any other costs or expenses associated with Lessee’s planting, cultivating and harvesting

of crops on the Farm or for any other use by Lessee of the Farm and that Owner does not share in any federal program payments or crop shares on the Farm. Lessee shall be responsible for and shall pay all taxes on all crops raised on the Farm.

4. **Permitted Use.** Lessee may use the Farm for the sole purpose of planting, growing and harvesting crops allowed by FSA programs (the “Permitted Use”). Lessee shall comply with all applicable Highly Erodible Land and Wetland Conservation provisions, if any, and all other federal, state and local laws, regulations and ordinances.

5. **Covenants of Lessee.** During the initial and each renewal term of this Agreement:

- a. Lessee agrees to operate the Farm in a diligent, efficient and good and farmerlike manner using such methods of husbandry and techniques as is usual and customary for similar operations, and shall perform all necessary conservation practices to maintain the Farm for continued future use and cultivation, including, but not limited to, prevention of soil erosion, prevention of pollution and/or contamination of surface and underground water sources and supplies, and prevention of all other forms of contamination and/or pollution.
- b. Lessee shall not cultivate crops within the right-of-way of any public street or easement. Further, as a condition of having control and supervision of said Farm, Lessee shall cut and remove all weeds, brush and other objectionable or unsightly matter within rights-of-way, typically that area between the property line and back of curb, as often as necessary to comply with local environmental codes, regulations and ordinances.
- c. Lessee shall use the 60-foot easement as described in Exhibit “A” to access FSN 1987 Tracts 2220 and 2222 abutting the Mesquite Metro Airport. Lessee will use caution in the vicinity of the Airport perimeter fence and shall immediately report any damages to the fence as a result of Lessee’s activities. Lessee shall repair and replace and be financially responsible for all damages to the Airport perimeter fence and all other damages to other property and facilities of the Owner arising from Lessee’s activities or Lessee’s use or occupancy of the Farm.
- d. Lessee shall not store any farm machinery on the Farm unless adequately screened from public view.
- e. Lessee is prohibited from any on-site agricultural retail or wholesale activities.
- f. Lessee shall not permit soil, mud, rock or debris to wash, slide, erode or otherwise be moved from the Farm onto streets, utilities facilities, rights-of-way or easements.
- g. Lessee shall not use any chemicals or “Hazardous Materials” as defined in Subsection 5(j) of this Agreement on the Farm without the prior written consent of the Owner, which may be withheld in the Owner’s sole discretion. Further, Lessee shall not store or dispose of a pesticide or fertilizer in any manner that does not comply with all state

and federal laws and regulations including, without limitation, the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and all federal regulations promulgated pursuant to FIFRA, Chapters 63 and 76 of the Texas Agriculture Code, all “Environmental Laws” as defined in Subsection 5(j) and all other applicable state, federal and local laws, regulations and ordinances.

- h. Lessee covenants and agrees not to use the Farm for any purpose other than the Permitted Use.
- i. Lessee shall obtain, at its cost and expense, insurance covering the types of risks, in such amounts, containing such provisions and meeting the insurance requirements of the Owner as more fully set forth in Exhibit “C” attached hereto and made a part hereof for all purposes (the “Insurance Requirements”). Lessee shall maintain such Insurance Requirements at all times throughout the initial term and all renewal terms of this Agreement.
- j. Lessee shall comply with all federal, state, and local laws, rules, and regulations including, without limitation, all “Environmental Laws” as hereinafter defined. “Environmental Laws” as used herein shall mean all federal, state and local environmental laws, statutes, ordinances, permits, orders, decrees, guidelines, rules and regulations (whether now existing or hereafter enacted) including, without limitation, any judicial or administrative interpretations of such laws, ordinances, rules or regulations, or any judicial or administrative orders or judgments with respect thereto, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERLA”), the Resource Conservation and Recovery Act (“RCRA”), the Texas Water Code, and the Texas Solid Waste Disposal Act, as each of the foregoing and all other laws, rules and regulations may be amended from time to time. “Hazardous Materials” as used herein shall mean all “hazardous materials,” “hazardous waste,” “hazardous substances” “toxic substances” and/or “solid waste” (as such terms are now or hereafter defined in the Environmental Laws). Lessee shall comply, and shall cause all employees, agents, representatives, independent contractors, invitees and all other occupants of the Farm to comply, in all respects with all Environmental Laws. Lessee will not use, keep, store, generate or dispose of or permit its employees, agents, representatives, independent contractors, invitees or other occupants of the Farm to keep, store, generate or dispose of, any Hazardous Materials at, in, on, under or from the Farm nor will Lessee conduct, or permit its employees, agents, representatives, independent contractors, invitees or other occupants of the Farm to conduct, any operation on or from the Farm which does or might emit or release any Hazardous Materials at, in, on, under or from the Farm or to any property located adjacent to or outside the Farm nor will Lessee take any actions or permit its employees, agents, representatives, independent contractors, invitees or other occupants of the Farm to take any actions which could impose liability on Owner under any Environmental Laws or which could impose any lien of any nature whatsoever on the Farm under any Environmental Laws. Lessee shall immediately notify the Owner of any presence, spills, discharges, omissions, releases or threatened releases of any Hazardous Materials at, in, on, under or from the Farm

or other potential failures to comply with any applicable Environmental Laws and will further promptly notify Owner of any inspections, notices, orders, fines, or communications originating from environmental regulatory agencies and will promptly forward to Owner copies of any notices received by Lessee relating to alleged violations of any Environmental Laws. Owner and its employees, officers, agents and independent contractors shall have the right, but not the duty, to inspect the Farm and conduct any sampling or tests necessary to verify Lessee's compliance with all applicable Environmental Laws and this Agreement. If Lessee fails to comply with any applicable Environmental Laws, or if environmental contamination is detected in, on, to or from the Farm, Lessee shall be responsible for all costs associated with such contamination and noncompliance of Environmental Laws. Lessee's obligations pursuant to this Subsection 5(j) shall expressly survive the expiration or termination of this Agreement.

6. **Acceptance of Farm.** Lessee accepts the Farm in its present condition "AS IS" and agrees that the Farm is suitable for the Lessee's Permitted Use.

7. **Improvements and Repairs.** Lessee will not, without prior written consent of the Owner, which consent may be withheld in the Owner's sole discretion, erect or permit to be erected on the Farm any structure or building or other improvement of any kind whatsoever.

8. **No Partnership.** Nothing contained in this Agreement shall be deemed to constitute or be construed to create the relationship of principal and agent, partnership, joint venture or any relationship between the parties other than the relationship of Owner and Lessee.

9. **Right of Entry.** Owner reserves the right of its employees, officers, agents, independent contractors and/or its assigns to enter the Farm at any reasonable time for the purpose of consulting with Lessee, making repairs, improvements and inspections, surveying, obtaining soil samples and other activities reasonably necessitated by Owner's municipal operations and for any other purpose that does not materially interfere with Lessee's Permitted Use.

10. **Natural Disaster.** Owner has previously designated FSN 1987 Tract 2219 as a debris location site in its Federal Emergency Management Agency (FEMA) approved Disaster Debris Management Plan. Owner reserves the right of its employees, officers, agents, independent contractors and/or its assigns to enter Tract 2219 of the Farm following a debris-generating natural disaster or other debris-generating event and to use Tract 2219 for the purpose of temporary staging and storing of debris material ("Owner's Debris Management Activities"). In the event of such occurrence, Lessee agrees to not hinder or delay Owner's entry or use of any portion or all of Tract 2219. Owner will remove such debris as soon as practical in the Owner's sole discretion and at the Owner's option will either terminate this Agreement by written notice to the Lessee or will restore the affected area to a suitable condition for resuming crop production. If Owner receives FEMA disaster assistance for damages to Lessee's crops, seeding or harvest yield, Owner will forward such FEMA disaster assistance to Lessee. Owner shall have no liability to Lessee for any damages to Lessee's cultivated crops, seeding or harvest yield resulting from Owner's Debris Management Activities if FEMA for any reason does not reimburse the Owner for such damages.

11. **Sublease or Transfer.** Lessee shall not lease or sublease all or any part of the Farm nor shall Lessee assign this Agreement to any person or persons without the prior written consent of the Owner, which consent may be withheld in the sole discretion of the Owner. Should Lessee die, this Agreement shall terminate provided, however, if at the time of Lessee's death crops are then growing on the Farm, Owner will permit Lessee's executor and/or administrator to enter the Farm for a limited term for the sole and limited purpose of harvesting any crop then growing on the Farm provided Lessee's executor and/or administrator executes an agreement containing such terms as are acceptable to the Owner in its sole discretion setting forth the rights and obligations of the Owner and the Lessee's executor and/or administrator during such limited period of possession of the Farm.

12. **Termination.** This Agreement may be terminated at any time by Owner or Lessee for any reason or for no reason, with or without cause and with or without an occurrence of default, upon 60 days written notice to the other party. In the event of termination by Owner pursuant to this Section 12, Lessee shall surrender possession and occupancy of the Farm upon expiration of the 60 day notice of termination and Owner shall owe no damages, or further duty or obligation to the Lessee.

13. **Holdover.** If Lessee does not vacate the Farm following the termination of this Agreement, Lessee will become a tenant at will and must vacate the Farm on receipt of written notice from the Owner. No holding over by the Lessee, with or without the consent of the Owner, will extend the term of this Agreement.

14. **Default.** The following events are deemed to be events of default by Lessee under this Agreement:

- a. Lessee fails to pay rent as provided for herein; and/or
- b. Lessee fails to comply with any term, provision or covenant of this Agreement, other than the payment of rent, and does not cure such failure within thirty (30) calendar days after written notice to Lessee.

Upon the occurrence of an event of default by Lessee, Owner may, at its option, enter and take possession of the Farm and declare this Agreement, and all rights and interests created by it, terminated by written notice to Lessee. Upon Owner's electing to terminate, this Agreement ceases and comes to an end as if such date was the day originally fixed for the expiration of the term. Any termination of this Agreement based on an occurrence of default by Lessee, will not relieve Lessee from the payment of any sum or sums due and payable or to become due and payable to Owner, or any claim for damages against Lessee for default of this Agreement. All obligations of Lessee for rent and/or for damages shall expressly survive the expiration or termination of this Agreement. All rights, options and remedies of Owner contained in this Agreement are cumulative and Owner has the right to pursue any one or all of such remedies or any other remedy or relief available at law or in equity, whether or not stated in this Agreement. No waiver by Owner of a breach of any of the covenants, conditions or restrictions of this Agreement will be construed as a waiver of any succeeding or preceding breach of the same or any other covenant, condition or restriction. Upon any expiration or termination of this

Agreement, Lessee will quit and peacefully surrender the Farm to Owner, and Owner, upon or at any time after such expiration or termination, may, without further notice and without being liable for any damages, enter upon the Farm and possess itself of such premises, including any crops or other personal property which may be on the Farm, and such action by Owner will not prevent Owner from pursuing all legal remedies available to it. All rights of the Owner pursuant to this Section 14 shall expressly survive the expiration or termination of this Agreement. Owner shall not be in default of this Agreement unless Owner fails to comply with any term, provision or covenant of this Agreement and does not cure such failure within thirty (30) calendar days after written notice by Lessee to Owner. Lessee's sole remedy in the event of a default by Owner is to terminate this Agreement by written notice to Owner.

15. Duty to Maintain, Repair and Preserve. Lessee agrees to preserve and permit no waste of the Farm and to maintain the Farm during the term of this Agreement in as good repair and condition as when the Lessee takes possession of the Farm and Lessee agrees to return the Farm to the Owner upon termination of this Agreement in substantially the same condition as when this Agreement was executed. Lessee shall repair any damage to the Farm caused by Lessee, its employees, agents, representatives, independent contractors, invitees or other occupants of the Farm. Lessee further agrees to take no actions that might cause a mechanic's or other lien to be imposed upon the Farm and agrees to indemnify the Owner if any actions are taken by the Lessee that result in such a lien being imposed.

16. Indemnity. For purposes of this Agreement, "Claims" means any and all claims, losses, costs, injuries, damages, expenses, liabilities, liens, actions, causes of action (whether in tort or contract, law or equity, or otherwise), charges, assessments, fines, and penalties of any kind (including consultant and expert expenses, court costs, and attorneys' fees actually incurred). To the fullest extent permitted by law, Lessee shall, at Lessee's sole expense and with counsel reasonably acceptable to Owner, defend, indemnify, and hold harmless Owner and Owner's agents, representatives, council members, officers, directors, employees, attorneys, insurers, successors and assigns, both individually and in their official capacities (hereinafter collectively the "Indemnitees") from and against all Claims from any cause, arising out of or relating (directly or indirectly) to this Agreement, the tenancy created under this Agreement, or the Farm, including without limitation:

- a. The use or occupancy of the Farm by Lessee;
- b. Any act, error, omission, or negligence of Lessee or of any employee, agent, representative, independent contractor, invitee or any other occupant of the Farm arising or occurring at, in, on, about or from the Farm;
- c. Any activities of Lessee conducted on the Farm including, without limitation, the seeding, growing, cultivating and harvesting of crops on the Farm;
- d. Any alterations, activities, work, or things done, omitted, permitted, allowed, or suffered by Lessee in, at, or upon the Farm, including the violation of or failure to comply with any applicable laws, statutes, ordinances, standards,

rules, regulations, orders, decrees, or judgments in existence on the execution date of this Agreement or enacted, promulgated, or issued after the execution date of this Agreement including, without limitation, all Environmental Laws; and

- e. **Any breach or default in performance of any obligation on Lessee's part to be performed under this Agreement, whether before or during the term of this Agreement or after its expiration or earlier termination.**

This indemnification extends to and includes, without limitation, Claims for:

- a. Injury to any persons (including death at any time resulting from that injury);
- b. Loss of, injury or damage to, or destruction of property (including loss of use at any time resulting from that loss, injury, damage, or destruction); and
- c. All economic losses and consequential or resulting damage of any kind.

This indemnification shall apply even if an injury is caused in whole or in part by the ordinary negligence or strict liability of any Indemnitees but will not apply to the extent an injury is caused by the gross negligence or willful misconduct of any Indemnitees. Lessee's agreement to indemnify Indemnitees under this Section 16 is not intended to and shall not:

- a. Restrict, limit, or modify Lessee's insurance and other obligations under this Agreement, such indemnity covenants being independent of Lessee's insurance and other obligations;
- b. Be restricted, limited, or modified by Lessee's compliance with its respective insurance requirements and other obligations under this Agreement; and
- c. Supersede any inconsistent agreement of the parties set forth in any other provision of this Agreement.

The prevailing party shall be entitled to recover its actual attorneys' fees and court costs incurred in enforcing the indemnification provisions set forth in this Section 16. Lessee's indemnification obligations hereunder shall survive the expiration or termination of this Agreement.

17. Release. Lessee hereby releases the Indemnitees and waives all claims for damages to person or property sustained by Lessee or Lessee's agents, representatives, employees, independent contractors, invitees or other occupants of the Farm directly or indirectly arising out of or resulting from the use or occupancy of the Farm and/or any activities of the Lessee or the Lessee's agents, representatives, employees, independent contractors, invitees or other occupants pursuant to this Agreement.

18. **Condemnation.** In the event all or any part of the Farm is condemned or purchased in lieu of condemnation, this Agreement will terminate. Lessee will have no claim to the condemnation award or proceeds in lieu of condemnation.

19. **Amendment.** This Agreement may be amended at any time but only by written agreement signed by both parties.

20. **Notice.** All notices and demands required or permitted to be given under this Agreement shall be given in writing and shall be deemed to be delivered, whether actually received or not, on the date deposited in the United States mail, postage fully prepaid, sent by certified mail, return receipt requested, addressed to Owner or Lessee at the addresses set forth below. Any address for notice purposes may be changed by written notice delivered as provided in this Section 20.

For Owner: City Manager
 City of Mesquite
 1515 North Galloway
 Mesquite, Texas 75149

With a copy to: City Attorney
 City of Mesquite
 1515 N. Galloway
 Mesquite, Texas 75149

For Lessee: Earl and LuAnne Bourland
 P.O.Box1361
 Terrell, Texas 75160
 972-563-0320 Home
 214-908-0893 Cell

21. **Venue.** This Agreement is entered into in accordance with and made subject to the provisions of the Charter and ordinances of the City of Mesquite as amended and all applicable state and federal laws. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas. The obligations of the parties to this Agreement are performable in Dallas County, Texas, and if legal action is necessary to enforce this Agreement, exclusive venue shall lie in Dallas County, Texas.

22. **Entire Agreement.** This Agreement, together with all exhibits attachments hereto, sets forth the entire agreement between the parties with respect to the subject matter hereof, and all prior communications of any nature are entirely superseded by the execution of this Agreement. There are no oral agreements between the Owner and the Lessee.

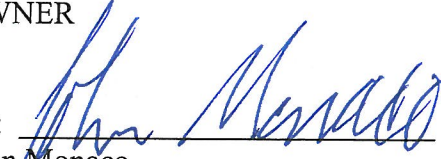
23. **Severability.** Should any one or more of the provisions contained in this Agreement be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be

considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

24. Limitation of Warranties. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND ARISING OUT OF THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE.

25. Signatures. IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated herein.

OWNER


By: 
John Monaco
Mayor

Date: 8-22-14

LESSEE


Earl Bourland

Lessee
Date: 8-11-14


LuAnne Bourland *By EARL*

Lessee
Date: 8-11-14

APPROVED AS TO FORM:

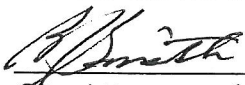
By: 
City Attorney or his designee

Exhibit "A"

Legal Description

BEING a 50.00 acre tract of land situated in the McKinney & Williams Survey, Abstract No. 1026 and the W. S. Robinson Survey, Abstract No. 1262 in the Owner of Mesquite, and being part of a 211 acre tract of land conveyed to Phil L. Hudson by deed filed in Volume 1952, Page 100, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at an iron rod in the West line of said 211 acre tract of land; said point being South 00 degrees 20 minutes 00 seconds West, 2262.78 feet from the Southerly ROW line of Scyene Road;

THENCE South 89 degrees 40 minutes 00 seconds East, 833.45 feet to an iron rod in the West line of a 120.966 acre tract of land recorded in Volume 77025, Page 1400, Deed Records of Dallas County, Texas;

THENCE South 00 degrees 20 minutes 00 seconds West, 2610.62 feet along the West line of said 120.966 acre tract of land to an iron rod found for corner in the South line of said 211 acre tract of land;

THENCE South 89 degrees 58 minutes 44 seconds West, 833.47 feet along the South line of said 211 acre tract of land to an iron rod found for corner being in the West line of said 211 acre tract of land;

THENCE North 00 degrees 20 minutes 00 seconds East, 2615.78 feet along the West line of said 211 acre tract of land to the PLACE OF BEGINNING and containing 50.000 acres of land, more or less;

TOGETHER WITH AN INGRESS AND EGRESS EASEMENT AS FOLLOWS:

BEING a 3.103 acre tract of land situated in the McKinney & Williams Survey, Abstract No. 1026 and the W. S. Robinson Survey, Abstract No. 1262 in the Owner of Mesquite, and being part of a 211 acre tract of land conveyed to Phil L. Hudson by deed filed in Volume 1952, Page 100, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at an iron rod in the West line of said 211 acre tract of land said point being in the Southerly ROW line of Scyene Road;

THENCE South 71 degrees 44 minutes 56 seconds East, 63.06 feet along the Southerly ROW line of Scyene Road;

THENCE South 00 degrees 20 minutes 00 seconds West, 2243.38 feet to a point for corner;

THENCE North 89 degrees 40 minutes 00 seconds West, 60.00 feet to a point for corner being in the West line of said 211 acre tract of land;

THENCE North 00 degrees 20 minutes 00 seconds East, 2262.78 feet to a point for corner being the PLACE OF BEGINNING and containing 3.103 acres of land, more or less.

SAVE AND EXCEPT that portion of said easement that was conveyed to the County of Dallas in deed recorded June 9, 1975 in Volume 75112, Page 1271, Deed Records, Dallas County, Texas.

EXHIBIT A
CITY OF MESQUITE
FARM CASH LEASE

Tract 2220

FSN 1987
Tract 2222
CROPLAND
50 Acres

MESQUITE
TOWN

Map Date: 1/14/2011
Aerial Photo Date: January 2007
Location Maps\Chim2010\CashLeaseFarmExhibitB

1 inch = 500 feet



Exhibit "B"

Legal Description

BEING all that certain tract or parcel of land situated in the Owner of Mesquite, Dallas County, Texas, out of the James M. Sewell Survey, Abstract No. 1358 and the Thomas J. Sewell Survey, Abstract No. 1359, and being a part of that property conveyed to Phil L. Hudson by Catherine Yates Payne and husband Phillip M. Payne by Deed recorded in Volume 2329, Page 310, of the Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a ½ inch iron rod for corner in the Southerly line of Scyene Road (60 foot ROW) said point being the Northeast corner of a certain tract of land conveyed by Gertrude Kenney Hudson to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5277 of the Deed Records of Dallas County, Texas;

THENCE South 83 degrees 34 minutes 30 seconds East with said line of Scyene Road, a distance of 2744.65 feet to a ½ inch iron rod in the East line of said Hudson tract;

THENCE South 00 degrees 55 minutes 10 seconds West with the East line of said Hudson property, a distance of 660 feet to a ½ inch iron rod for the Northeast corner of that certain tract of land conveyed to the County of Dallas Texas, by Deed from Gertrude Kenney Hudson, a widow, recorded in Volume 75112, Page 1271 Deed Records of Dallas County, Texas, said Dallas County tract being known as East Glen Boulevard (100 foot ROW);

THENCE North 89 degrees 45 minutes 51 seconds West with the North line of East Glen Boulevard, a distance of 2732.18 feet to a ½ inch iron rod at the Southeast corner of a tract of land conveyed to Wilburn Leon Ladyman and Mildred B. Ladyman by Deed recorded in Volume 85007, Page 5279 Deed Records of Dallas County, Texas;

THENCE North 00 degrees 55 minutes 10 seconds East, a distance of 955.93 feet to the PLACE OF BEGINNING and containing 50.67364 acres of land.

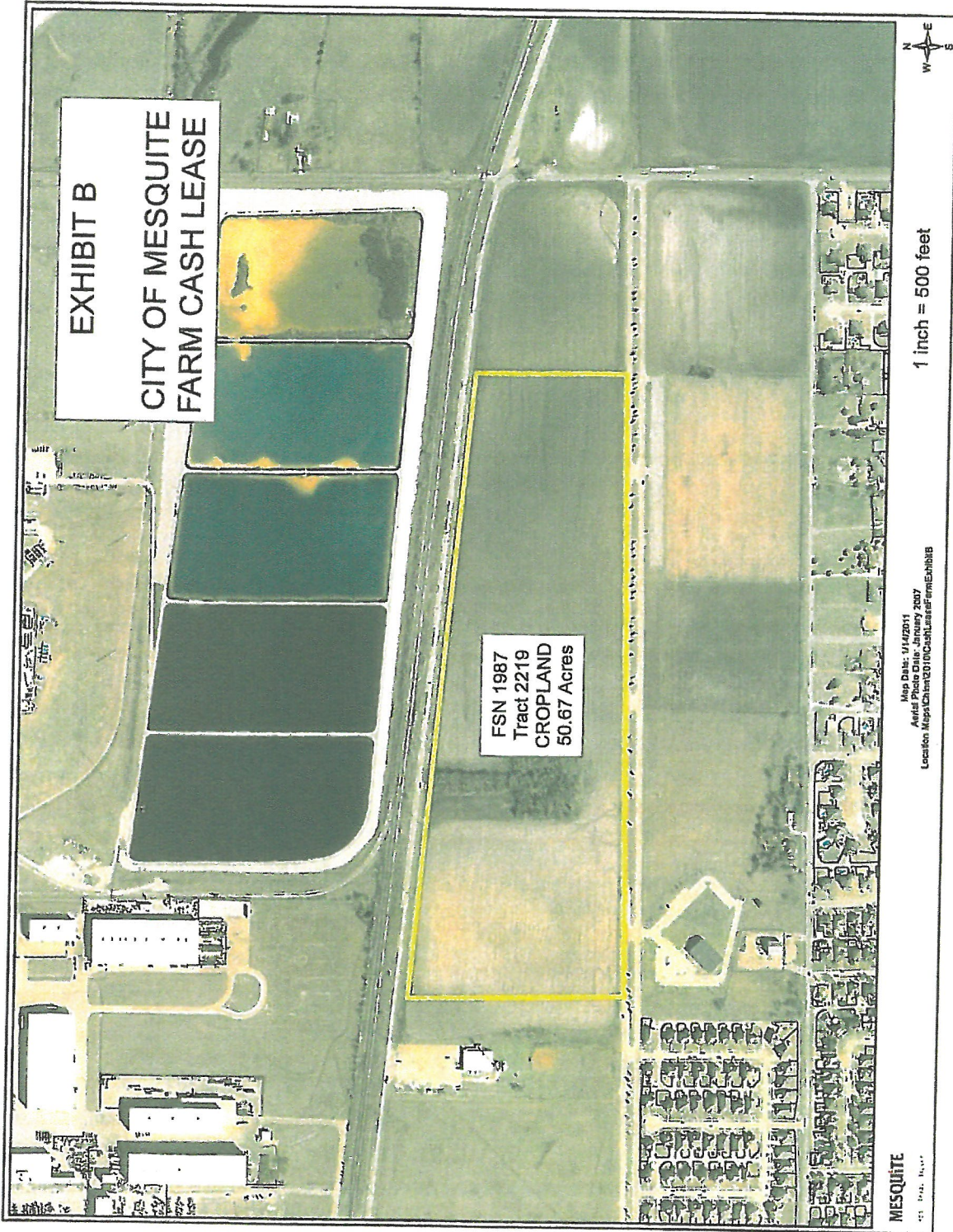


Exhibit "C"

INSURANCE REQUIREMENTS

1. **General Coverage Requirements.**
 - a. Lessee shall, at a minimum, carry insurance in the types and amounts indicated herein for the duration of the Agreement and all insurance required hereunder shall name Owner as an additional insured.
 - b. Lessee shall provide a Certificate of Insurance as verification of coverage required below to the Owner at the below address prior to execution of the Agreement and within fourteen (14) calendar days after written request from the Owner.
 - c. Lessee must also forward a Certificate of Insurance to the Owner whenever a previously identified policy period has expired as verification of continuing coverage.
 - d. Lessee shall not take possession of the Farm or commence any activities pursuant to the Agreement until the required insurance is obtained and has been reviewed and approved by the Owner. Approval of insurance by the Owner shall not relieve or decrease the liability of Lessee hereunder and shall not be construed to be a limitation of liability on the part of Lessee.
 - e. Lessee's insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
 - f. All endorsements naming the Owner as additional insured as well as the Certificate of Insurance shall contain a reference to this Agreement, the Owner's name and address, and shall be mailed to the attention of the City Attorney, City of Mesquite, P.O. Box 850137, Mesquite, TX, 75185-0137.
 - g. The "other" insurance clause shall not apply to the Owner where the Owner is an additional insured shown on any policy. It is intended that policies required in the Agreement, covering both the Owner and Lessee, shall be considered primary coverage as applicable.
 - h. If insurance policies are not written for amounts specified in this section, Lessee shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
 - i. The Owner shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
 - j. The Owner reserves the right to review the insurance requirements set forth during the effective period of the Agreement and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the Owner based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as Lessee.
 - k. Lessee shall not cause any insurance to be canceled nor permit any insurance to lapse during the initial term or any renewal term of the Agreement or as required in the Agreement.

1. Lessee shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
- m. Lessee shall endeavor to provide the Owner thirty (30) calendar days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverage indicated within the Agreement.

2. Specific Coverage Requirements.

- a. Lessee shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Agreement. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of Lessee.
- b. Commercial General Liability Insurance (endorsed to cover farm operations). The minimum liability limits are \$250,000 per person/\$500,000 per occurrence for bodily injury and \$100,000 per occurrence for property damage/destruction. The policy shall contain the following provisions and endorsements.
- c. Blanket contractual liability coverage for liability assumed under the Agreement and all other contracts related to the services being provided pursuant to this Agreement.
- d. The Owner shall be listed as an additional insured, Endorsement CG 2010, or equivalent coverage.