

Action Item #9 Joe Dirt Lease Agreement

The Westfield Public Works Department is recommending that the Board of Public Works and Safety consider the following lease agreement between the City of Westfield Public Works Department and Joe Dirt LLC. This lease agreement will be for the stockpile of clean earthen material for dumping and resale.

The stockpile of dirt may occur in two manners, the first manner being by individual clients that randomly deposit clean earthen material. The second manner being client(s) through an agreed upon contract(s) for specific project(s) between Joe Dirt LLC and a third party, of which the City of Westfield Public Works and Joe Dirt LLC have mutually agreed to enter into this contract at an agreed upon negotiated volume of clean earthen material and price prior to the Joe Dirt LLC entering into said contract with a third party. Once these agreed upon contracts and negotiated price have been executed and agreed to by both parties, these contracts will be added to this lease agreement as an addendum(s).

At the time of execution of this Lease Agreement, Joe Dirt LLC has contracted approximately 120,000 cubic yards of clean earthen material. The City of Westfield agrees to accept this prearranged contracted amount for the proposed 120,000 cubic yards of clean earthen material.

The following is a schedule of fees for the importing and exporting of clean earthen material:

For the importing and exporting of randomly deposit clean earthen material, a rate of \$30.00 per load will be charged to the client. Of this rate, \$11.00 will be paid to the City of Westfield Public Works Department and \$19.00 will be paid to the Joe Dirt LLC as a management fee and equipment operating expenditures. At a later date if the rate needs to be adjusted to meet market rates, the same percentage distribution will be applied between the parties, unless a negotiated price is agreed upon mutually between both parties.

For the contracted amounts between the **Joe Dirt LLC** and the third party, Joe Dirt agrees to pay the City of Westfield Public Works Department \$11.00 per export of the clean earthen material, unless a prearranged negotiated price is agreed upon mutually between both parties.

Joe Dirt. LLC will manage the contract, which includes but is not limited to daily site management, maintenance of all import & export materials, accounting and billing. Weekly sales will be emailed to the Westfield Director of Public Works (kwanninger@westfield.in.gov) once a week. Joe Dirt, LLC will bill the client's bi-weekly and the fees have been collected, Joe Dirt LLC will pay the City monthly on or before the 15th of each month. Joe Dirt, LLC will use their best efforts to market & sell all clean earthen stockpiled materials.

Therefore, the Westfield Parks Department recommends that the Board of Public Works and Safety authorize the Director of Public Works to enter into the contract with Joe Dirt LLC.