



RESOLUTION NO. 20120828-02

**AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO EXECUTE A CONTRACT FOR
SLUDGE REMOVAL AT THE WATER TREATMENT PLANT TO TERRA RENEWAL**

WHEREAS, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

WHEREAS, TexAmericas Center facilitated a competitive bidding process for the removal of sludge in the lagoons at the Water Treatment Plant on Red River Army Depot and produced a low bidder, Terra Renewal, in the amount not to exceed \$80,000 and with the additional terms attached hereto;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of TexAmericas Center that the Executive Director/CEO shall be and he is here by authorized to enter into a service contract with Terra Renewal for the removal of sludge at the Water Treatment Plant in accordance with the terms presented in the attached contract not to exceed the amount of \$80,000.

PASSED and APPROVED this 28th day of August, 2012.



Denis Washington, Chairman of the Board

ATTEST:



Wayne Cranfill, Secretary-Treasurer

Attached: Sludge Removal Service Contract



1100 E Campbell Rd, Suite 220
Richardson, TX 75081

TERRA
renewal

Proposal for Services

Tuesday, August 14, 2012

Phillip Grant
TexAmericas Center (TAC)
107 Chapel Lane
New Boston, TX 75570
903-280-5704

Sales Rep Tracy Rupp

Sales Rep Contact 832-205-5167

Division Daily Service

Project Sludge Disposal

This proposal, along with the attached terms and conditions, shall serve as Terra Renewal's proposal to perform the referenced services for the above referenced company ("customer"). Pricing included in this proposal is contingent upon (1) acceptance of the proposal and terms and conditions acknowledged through the signing and return of this document via fax to the location listed below, (2) the acceptance of the proposal prior to the price expiration date listed below, (3) the acceptance of the proposal and agreement between Terra Renewal and the customer on the scheduling of the project prior to the proposal expiration date listed below.

Proposal Expires

Disposal Method Land Application

Estimated Lab Cost N/A

Lab Frequency N/A

Permitting Agency

Estimated Volume See Comments

Pricing

Unit of Sale	See Comments	Current Diesel Price Per Gallon	\$3.88
Proposed Unit Price	See Comments		
Mobilization	\$4,800.00		

Additional Comments:

2,000,000 gallons or more	\$0.113
1,000,000-1,999,999	\$0.115
Up to 999,999	\$0.117

Scope Notes: Terra will remove and dispose of all vegetation in the lagoons as directed by Owner

Sludge to be land applied on Permit #WQ0004943000

Scheduling:

Pricing based on Terra Renewal crews maximizing all daylight hours during project term and operating on at least a 70 hour work week, consisting of weekdays plus Saturdays and Sundays (if agreed upon). Crews are dispatched to projects on first come first serve basis. Should a project require completion under "emergency" status, require rescheduling of booked projects, and/or require the unplanned utilization of subcontractors, pricing will be renegotiated.

Weather:

In the event that inclement weather causes a delay in the completion of a project, downtime will not count toward completion penalties. Prolonged weather events may require the rescheduling of a project and/or price renegotiation.

Incremental Costs:

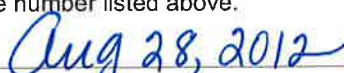
Costs associated with rental of equipment to complete a project and/or landfill fees above and beyond that calculated in this proposal will be passed through to the customer at no greater than a 10% markup to cover administrative and downtime costs. Equipment rental fees will be charged in full week or month prices.

Fuel Price Variation:

Proposed pricing based on the current diesel price per gallon noted above. Price will be adjusted up or down 1% for every \$0.25 over or under the current diesel price at the time the project is performed. (If diesel prices are \$0.25 per gallon higher than the noted current price at the time of the project, the price will increase by 1%.)

Thank you for the opportunity to present this proposal. Should you choose to accept the proposal and the attached terms and conditions, please sign below and return to Stephanie Bowden via fax at 972-692-8143. If you have any questions, please feel free to contact your Sales Representative at the number listed above.


Authorized Representative


Date

Terra Renewal Services, Inc.
Event Services
Terms and Conditions

Customer:	TexAmericas Center (TAC)	Location:	New Boston, TX
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It is hereby agreed between Terra Renewal Services, Inc. ("TERRA RENEWAL") and the above-named Customer ("Customer") that Customer operates certain food processing facilities and/or water/wastewater treatment facilities at the location(s) specified above that generate wastewater residuals (the "Residuals"); and that TERRA RENEWAL, a wastewater residuals service provider, is willing and able to manage said Residuals in a commercially reasonable manner. Customer and TERRA RENEWAL agree to do business in accordance with the terms and conditions contained in the proposal of TERRA RENEWAL to Customer dated August 14, 2012, and these Terms and Conditions and all changes and modifications to such proposal (together, the "Proposal").

TERRA RENEWAL agrees to provide transportation, storage, land application, and record-keeping/reporting services (the "Services") for Customer in the respect of the Residuals at the identified location(s). TERRA RENEWAL will provide Customer with periodic invoicing for Services according to the pricing structure set forth in the Proposal. TERRA RENEWAL shall provide some or all of the following tanks and/or equipment as necessary to perform the Services (as determined in TERRA RENEWAL' sole discretion): AgChem TerraGators with injection systems, farm tractors with injection buggies, semi-trucks with sealed aluminum vacuum tanker trailers (approx. capacity of 7,500 gallons with maximum allowable payload of about 6,000 gallons) equipped with vacuum pumps, transfer tank(s) provided at Customer's plant (such tank(s) shall remain the property of TERRA RENEWAL, TERRA RENEWAL shall have the right to remove or replace tank(s) at its sole discretion, and Customer shall be responsible for any costs associated with the installation and maintenance of such tank(s)), and 420,000-gallon, 210,000-gallon, and/or 20,000-gallon inclement weather storage tanks located near certain land application sites.

TERRA RENEWAL will be responsible for the registration, authorization, and/or permitting of the land application activities with the appropriate regulatory agencies and shall pay the related regulatory fees, unless otherwise noted in the Proposal. TERRA RENEWAL will be responsible for obtaining samples and the required lab analysis of the Residuals. TERRA RENEWAL will pay for the lab analysis and will invoice Customer for such lab analysis expenses with no markup. TERRA RENEWAL will land apply the Residuals for beneficial use as fertilizer/soil amendment or dispose of the material using a disposal method approved by the appropriate permitting agency. When TERRA RENEWAL applies the Residuals via the subsoil injection method such application will be according to sound agronomic rates. TERRA RENEWAL may remove and separately dispose of oil/grease from the Residuals prior to land application. TERRA RENEWAL is responsible for determining application rates based upon cover crops and analytical testing of the Residuals. TERRA RENEWAL will keep records of Residuals application and report to Customer and regulatory agencies as needed. TERRA RENEWAL will be responsible for providing commercially reasonable handling of the Residuals once collected by TERRA RENEWAL, including cleanup of any spills.

Customer represents that the nature of Residuals are non-hazardous, suitable for land application and representative of samples provided at the time of the Proposal. No other materials will be included in the Residuals without the approval of TERRA RENEWAL. Customer shall make all reasonable efforts to insure that trash, feathers, gloves, and other solid debris are not included in Residuals. The makeup and content of the Residuals shall remain the responsibility of Customer, and at no time shall such responsibility be transferred to TERRA RENEWAL. Customer shall be responsible for any and all claims or liabilities that may arise from or to any third parties or regulatory agencies relating to the content or makeup of the Residuals. TERRA RENEWAL only accepts responsibility for providing commercially reasonable hauling and land application services to Customer as provided hereunder.

When a project timeline is agreed upon as part of this proposal, the time for completion will not begin until all analysis has been completed, provided to TERRA RENEWAL, and the material has been approved and permitted for the intended disposal method by the appropriate permitting agency.

Customer agrees to compensate TERRA RENEWAL in accordance with the Proposal plus all applicable sales, gross receipts and similar taxes and assessments applicable to the TERRA RENEWAL services, whether assessed now or in the future. TERRA RENEWAL may adjust pricing if requests for services arise that are outside the normal course of business as set forth in the proposal or for emergencies. TERRA RENEWAL may charge Customer for cleaning fields and equipment of debris, trash, and other foreign matter that Customer includes in Residuals stream. Terms for payment are Net 14 days from invoice date subject to a credit review performed at the discretion of TERRA RENEWAL. Customer shall compensate TERRA RENEWAL at the rate of \$95.00 per hour after the first hour for loading/waiting time at Customer plants in cases where TERRA RENEWAL' trucks are detained due to Customer's personnel and/or equipment or other conditions outside of the control of TERRA RENEWAL. Customer will ensure TERRA RENEWAL and its employees; agents or independent contractors have access to and from Residuals storage and loading areas. Customer will not interfere unreasonably with the removal operations of TERRA RENEWAL and its employees, agents or independent contractors in monitoring the performance of TERRA RENEWAL hereunder. Customer shall cooperate to the full extent possible in assisting TERRA RENEWAL in obtaining all federal, state, and local permits, licenses and authorizations that TERRA RENEWAL is required to obtain in order to perform the services hereunder. Customer shall obtain and comply with all necessary federal, state and local permits, licenses and authorizations, if any, which Customer is required to obtain in order to perform its obligations hereunder and, upon request by TERRA RENEWAL, Customer shall permit TERRA RENEWAL to inspect said permits, licenses and authorizations.

The relationship between TERRA RENEWAL and Customer is that of an independent contractor, with Customer being interested only in the removal, transportation and land application of the Residuals in a timely and proper manner. TERRA RENEWAL is not an employee, agent or servant of Customer. It is agreed that TERRA RENEWAL is not the partner of Customer and that the parties are not engaged in a partnership or joint venture and Customer is hereby excluded from any liability for debts or liabilities of TERRA RENEWAL. TERRA RENEWAL shall at all times during the term of this Agreement keep its property and equipment insured with collision insurance and keep same insured against liability for bodily injury and property damage with a responsible insurance company with said insurance to provide minimum coverage of \$2,000,000 for each person and \$2,000,000 for each occurrence.

The terms of the Proposal are incorporated herein by reference. These Terms and Conditions and the Proposal shall be interpreted and construed in accordance with the laws of Texas. These Terms and Conditions shall supersede and replace all other Terms and Conditions in effect prior to date specified above. Either Customer or TERRA RENEWAL may terminate the Proposal on thirty (30) days prior written notice, or as otherwise provided in the Proposal.