



ROCKY MOUNT
CITY MANAGER'S OFFICE
THE CENTER OF IT ALL

City Council Agenda

Date: 05/28/2019

To: The Honorable Mayor and City Council

Subject: Amendment to the 2002 Lease Agreement between the City of Rocky Mount and Joel Boseman/
Steve Wordsworth.

Summary of Requested Action:

Recommend City Council authorize the Mayor and City Clerk to execute the attached amendment of the 2002 Lease Agreement to reduce the duration that the city's farm can be used for pasture for cattle and to adjust the monthly rent from \$875.00 to \$583.33.

Department Requesting Action: Water Resources

Budgetary Impact:

The annual revenue will be reduced from \$10,500 to \$7000 to allow Water Resources to increase bio-solids application during the months of December through March.



City Manager's Recommendation:

Recommend Approval. A. B. Toney 6/3/19

MEMORANDUM



ROCKY MOUNT
WATER RESOURCES
THE CENTER OF IT ALL

To: Chris Beschler, Assistant City Manager 
From: Brenton Bent, Director of Water Resources 
Date: 05/28/2019
Re: Amendment to City Farm Lease Agreement Between the City of Rocky Mount
and Joel Boseman & Steve Wordsworth

The city of Rocky Mount made and entered into a Lease Agreement with Joel Boseman and Steve Wordsworth for the use of approximately 300 acres of the city's farm to be used as pasture for cattle and for deer hunting. The agreement dated April 8, 2002 detailed the initial term of ten (10) years with the option to extend for two (2) additional five (5) year terms ending on March 31, 2022. The agreed monthly rental fee was \$875.00 due on or before the first day of each month.

The Wastewater Treatment plant has a permit from the Department of Environmental Quality, Division of Water Resources for the application of bio-solids to the said property. While the dual use of this property worked well over the years, it is now necessary for the Wastewater Plant to increase bio-solids application during the months of December to March. During this period the pasture is unavailable for grazing and both parties recognize the additional cost associated with moving cattle to other pastures.

It is for this reason that both parties have agreed to amend the agreement to recalculate the monthly rent to \$583.33. This amount is prorated to the eight (8) months when the pasture is available for cattle grazing. The attached amendment was reviewed and approved by the City Attorney. The Water Resources Department recommends that City Council authorize the Mayor and the City Clerk to execute this amended agreement on behalf of the city. In the interim, please advise if additional information is needed regarding this recommendation.

**AMENDMENT TO LEASE AGREEMENT BETWEEN THE CITY OF ROCKY MOUNT
(LESSOR) AND JOEL BOSEMAN AND STEVE A. WORDSWORTH (LESSEE)**

THIS AMENDMENT is entered into as of the ____ day of _____, 2019 between the City of Rocky Mount hereinafter referred to as the Lessor, and Joel Boseman & Steve Wordsworth, hereinafter referred to as the Lessee.

WITNESSETH

WHEREAS, Lessee and Lessor have entered into a Lease Agreement dated April 8, 2002 whereupon the Lessee desired to lease approximately 300 acres of the Lessor's property ("Property") for use as pasture for cattle and the right to hunt deer ("Lease"). A copy of the Lease is attached.

WHEREAS, the initial term of this Lease commenced on April 1, 2002, and existed until March 31, 2012. The option to extend was exercised by both parties and the Lease was extended for two (2) additional five (5) year terms, the first extended term began on the 1st day of April, 2012 and ended on the 31st day of March 2017 and the second extended term began on the 1st day of April 2017 and ending on the 31st of March 2022.

WHEREAS, the parties agreed that for the initial ten (10) year term of the Lease, Lessee shall pay rent to Lessor in the amount of \$875 per month, due on or before the 1st day of each month. Lessee received credits against the monthly rent due for all improvements made to the Property to include, but not limited to, fencing, water supply, and drainage improvements. In addition to the monthly rent, Lessee agreed to pay Lessor \$8 per premises acre per year for the deer hunting rights. Payments were due in advance, on or before, the first day of deer season each year.

WHEREAS, on or about February 2011, Lessor agreed to temporarily reduce the rent for the portion of the Lease used for pasture for cattle to \$437.50 (50% of the agreed \$875.00) because of improvements made to the Property, as well as to cover the cost to move cattle during periods when the Property is in use for sludge application.

WHEREAS, Lessor and Lessee agree that future use of the Property as pasture for cattle can only be utilized for eight (8) months out of the year (April to November) because of the need to land apply sludge during the winter months and both parties also recognize the additional cost associated with moving cattle to other pastures.

NOW, THEREFORE, IT IS AGREED by the Lessor and the Lessee that the Lease is hereby amended to recalculate the rent for the Property to \$583.33 per month. This amount is prorated to the eight (8) months when the pasture is available for cattle grazing. This Amendment becomes effective on the date first written above and will continue for the remainder of the Lease which expires on March 31, 2022.

Except as amended herein, the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, this instrument has been executed in the manner prescribed by law as the day and year first above written.

CITY OF ROCKY MOUNT

ATTEST:

By: _____
David Combs, Mayor

_____(Seal)
Joel Boseman

ATTEST:

_____(Seal)
Steve A. Wordsworth