

## Nassau County Engineer

2290 SOUTH 8th STREET FERNANDINA BEACH, FL 32034-3056

WILLIAM LECHER, P.E. COUNTY ENGINEER

## **MEMORANDUM**

TO: BOARD OF COUNTY COMMISSIONERS

FROM: WILLIAM LECHER, P.E., COUNTY ENGINEER

**DATE:** APRIL 22, 1992

RE: PURCHASE OF DIRT AGREEMENT WITH ITT RAYONIER

Rayonier Timberland's Operating Company has submitted a contract to the County for the purchase of dirt at their Firebird Pit which is located at the intersection of U.S. Highway 17 and I-95. The County maintains a pit on the property and has been using it for a number of years. This dirt is the only dirt that is readily available for the eastern portion of the County. The County currently has a contract with the firm to buy dirt at \$.45/CY.

#### **RECOMMENDATION:**

It is recommended that the Board of County Commissioners sign the contract for the purchase of dirt from Rayonier Timberland's Operating Company in the amount of \$.50/CY.

Revised 10/16/91

Contract No. \_\_\_\_\_

STATE OF FLORIDA
COUNTY OF \_\_NASSAU\_\_\_\_

# AGREEMENT FOR PURCHASE AND SALE OF DIRT IN PLACE

THIS AGREEMENT made and entered into in duplicate this <u>lst</u> day of <u>January</u>, 1992, is by and between Rayonier Timberlands Operating Company, L. P., Limited Partnership, a limited partnership organized in Delaware and qualified to do business in the state of <u>Florida</u>, whose business address is <u>P. O. Box 728, Fernandina Beach, FL 32034</u> hereinafter called "RTOC", and <u>Nassau County Road Department</u> whose business address is <u>P. O. Box 386, Hilliard, FL 32046</u> hereinafter called "PURCHASER".

#### WITNESSETH:

WHEREAS, RTOC has the rights to certain fill dirt; and WHEREAS, the PURCHASER has inspected and desires to purchase and remove the dirt;

NOW THEREFORE, in consideration of the mutual covenants hereinafter undertaken, RTOC and PURCHASER agree as follows:

1.0 <u>Material Identification and Location</u>: RTOC agrees to sell and PURCHASER agrees to purchase:

Fill materials consisting of sand, dirt, top soil and rock existing as is, where is, on the site;

Hereinafter called "DIRT", located on the following described lands:

A portion of RTOC's Management Block <u>1-24</u> of <u>Nassau</u> Forest in <u>Nassau</u> County, <u>Florida</u>, more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein, hereinafter called "LAND" or "LANDS".

2.0 <u>Transfer of Title</u>: All rights, title, and interest in the DIRT conveyed by this Agreement shall remain in RTOC until it is removed from the LAND.

3.0 Agreement Term: PURCHASER is granted the exclusive right to purchase and remove the DIRT identified by this Agreement until <u>December 31</u>, 1992.

If the PURCHASER wishes to extend the term for an additional ONE (1) YEAR, notification of such desire shall be given in writing to RTOC not less than SIXTY (60) DAYS prior to the expiration of this Agreement. Extension of the term is NOT a matter of right, and RTOC may, in its unqualified discretion, deny any such extension request, inasmuch as the removal of the DIRT by this Agreement is not an estate or paramount encumbrance upon the LAND, but a mere license to obtain and purchase material, as goods, by and under the terms of this Agreement. If extended, the DIRT will be sold based on a price to be agreed upon between the PURCHASER and RTOC.

### 4.0 Price, Deposit and Performance Deposit:

- 4.1 Purchase Price: PURCHASER agrees to pay to RTOC for the DIRT removed hereunder the sum of \$.50 dollars per cubic yard.
- 4.2 Payment: The PURCHASER will complete and deposit in a lock box on the LAND a load ticket for each load of DIRT hauled from the LAND. The load tickets will be supplied by Seller. The information supplied on the load ticket by the PURCHASER will serve as an accounting for the cubic volume hauled on each load. The Seller will periodically collect the load tickets and invoice the Seller monthly based on RTOC's fiscal month. Payment is due to Seller within 10 days of receipt of invoice. Delinquent invoices shall bear interest at EIGHTEEN (18) per cent INTEREST per annum, on the daily amount outstanding. Undisputed invoices remaining delinquent in excess of FOURTEEN (14) DAYS shall allow Seller to suspend continued shipment of DIRT from the LAND, until the amount is cured, and if not promptly cured, to declare this Agreement in default. Disputed invoices, if not resolved between the parties within TEN (10) DAYS of the settlement date, shall be submitted to arbitration within the next SEVEN (7) DAYS, for resolution as provided in this Agreement.
- 4.3 Performance Deposit: PURCHASER shall furnish and deposit with RTOC a Performance Deposit, in cash, certified or bank check in the amount of \_\_\_N/A\_\_\_ dollars, which will be returned to PURCHASER, without interest, upon the satisfactory completion of all operations according to the terms and conditions of this Agreement; however, PURCHASER agrees that RTOC shall have THE RIGHT TO USE OR APPLY ALL OR ANY PORTION OF THE PERFORMANCE DEPOSIT TO OFFSET ANY CLAIM OR MONEY OWED TO RTOC BY PURCHASER WHETHER UNDER THE TERMS OF THIS AGREEMENT (SEE PARTICULARLY PARAGRAPHS 8.0, 9.0, 10.0, AND 11.0) OR ANY OTHER AGREEMENT BETWEEN RTOC AND PURCHASER.
- 5.0 <u>Cutting Area</u>: The boundaries of the area from which the DIRT is to be removed are clearly marked or designated on the LAND by RTOC and will be shown by RTOC to PURCHASER's Representative having responsibility for the DIRT removal operations. The volume of DIRT conveyed in this Agreement is estimated by RTOC to be <u>10,000</u> yards of DIRT. Nothing in this Section alters RTOC's rights under Section 7.0.
- 6.0 <u>Title and Representations</u>:

- 6.1 Title: RTOC warrants sufficient title and right to sell the DIRT, and further warrants that the DIRT is free and clear of any liens, and will remain free and clear of any liens arising under or by reason of RTOC, which would impair removal of the DIRT.
- 6.2 RTOC MAKES NO REPRESENTATION NOR WARRANTY TO PURCHASER WITH RESPECT TO THE QUALITY OR VALUE OF ANY DIRT NOR THE CONDITIONS THAT MAY EXIST IN CONNECTION WITH ACCESSING AND LOADING THE DIRT.
- Right of Entry: RTOC also grants to PURCHASER, its successors and assigns, the right to enter upon LANDS at any and all times during said term with tools, wagons, carts, trucks, men and equipment and all other conveyances that are necessary for the removal of the DIRT, together with the right to operate roads and roadways upon, over and across the LANDS and any other lands of RTOC near or adjacent thereto, when such roads and roadways are necessary for ingress and egress, and the right to erect temporary structures upon the LANDS. PURCHASER shall have and is hereby granted the right at any time during the term hereof and for ten (10) days thereafter, to remove any and all machinery, equipment and other property, (excluding any claim to timber) of PURCHASER, whether or not so fixed to the LANDS as to be regarded in law as a part of the LANDS, provided that the LANDS and other property are not damaged as a result of such removal.

RTOC shall at all times during the term of this Agreement have the use of any and all parts of the LAND for any and all purposes. PURCHASER agrees to establish and maintain his own security system upon all areas being used by PURCHASER, without denying use of the area to RTOC.

#### 8.0 Specifications:

During the removal of DIRT hereunder, PURCHASER shall:

- (a) take extreme precautions against the possibility of fire, contamination, or tainting of the LAND and property adjacent thereto and exercise reasonable care to avoid damage to the adjacent ditch, forest lands and timber of RTOC;
- (b) at all times maintain necessary and adequate protection for the safety of its agents, employees, contractors, and subcontractors and all other persons present at or close to the LAND;
- (c) maintain on-site supervision of the work to ensure performance as herein provided;
- (d) be accessible at the address set forth in this Agreement during DIRT removal operations to receive notice of violations of regulations, laws, or contractual terms and take immediate corrective measures as determined by RTOC;
- (e) be responsible for any damage or injury, including death, attributable in whole or in part to act(s) of negligence of the PURCHASER, its agents, employees, contractors or subcontractors in performing this Agreement;

- (f) immediately repair any fence, cable, gate or improvement damaged during the operation;
- (g) maintain all roads used for hauling dirt in the same or better condition than they were prior to the fill dirt operation. Allowance will be made for reasonable wear resulting from normal use.
- (h) slope all completed sides of the pit at 4:1;
- (j) dispose of non-useable material from the LAND such as much or dirt with excessive organic content, debris, and vegetable matter in a manner approved in advance by RTOC's designated representative.
- 9.0 <u>General Indemnity</u>: The PURCHASER shall, and specifically agrees to, assume responsiblity and liability for, and keep and hold RTOC, its officers, agents, and employees harmless from, all costs, losses, damages, expenses or liabilities of any kind or nature (including death or personal injury to any persons, whether or not employees of PURCHASER, as well as all property damage) resulting from or arising by, or in connection with negligence of, or attributed to, the PURCHASER, its agents, employees, contractors, or subcontractors in the course of or in connection with the DIRT removal hereunder.

#### 10.0 Environmental Compliance:

- 10.1 Laws: PURCHASER shall, during the period of DIRT removal hereunder, promptly observe and comply with all applicable laws, ordinances, orders, directives, rules, regulations, and other requirements of any Federal, State or local governmental authority or agency having jurisdiction, whether in force at the commencement of this Agreement or enacted or asserted during the term of this Agreement.
- 10.2 Environmental Control: PURCHASER agrees that all trash, cans, bottles or other clean trash, garbage, or materials of any kind left on the LANDS, whether as a direct or indirect result of operations, will be removed by PURCHASER prior to the end of the term. Under no circumstances whatsoever will any carcinogenic, controlled, toxic or hazardous substance or material, or a container presently holding or formerly holding such substance(s), be permitted to drain, or percolate on or into, or be stored, dumped, buried, or otherwise contaminate, taint, or affect the LANDS, or any other land adjacent to or in the vicinity of the LANDS.

There shall be no obligation or requirement upon RTOC to monitor PURCHASER's environmental management of the LAND; however, if under any form of law, ordinance, regulation or standard in effect at the inception of this Agreement, or arising during the term, RTOC should have cause to be concerned about PURCHASER's existing or continued compliance with any environmental laws, codes, regulations or standards then in effect which could in any manner affect the usefulness, useability, or marketability of the LANDS from which the

DIRT is being removed or property adjacent thereto, then RTOC at its discretion may require additional assurance as it may deem appropriate to the risk, offense, or potential therefore, which may take the form of bonding, certified professional audits or opinions, insurance, indemnity, removal of all or portions of any waste deposited, construction of monitoring systems, leachate collection and treatment system(s), or such other technical, legal or financial, or mixed, forms of assurance as may reasonably relate to solving, remediating or minimizing the impact of the situation.

- 11.0 <u>Insurance</u>: Before commencing dirt removal operations hereunder, PURCHASER shall deliver to RTOC evidence, in the form of an insurance certificate, that PURCHASER has in force, insurance coverage described below issued by a company satisfactory to RTOC. Said certificate shall provide that the policy shall not be cancelled or changed materially without thirty (30) days advance written notice to RTOC. PURCHASER shall maintain insurance described herein in force during the entire term of this Agreement.
  - A) Workers Compensation Insurance in statutory amount and Employers' Liability Insurance with a limit of not less than \$100,000 for each occurrence.
  - B) General Liability Insurance with limits not less than \$500,000 for each occurrence with respect to Bodily Injury and \$500,000 for each occurrence with respect to Property Damage, or a combined single limit coverage of \$500,000 for each occurrence with respect to Bodily Injury and Property Damage.

Said policy shall include and cover premises and operations, completed operations, contractual liability, and personal injury liability.

Said policy shall be on an occurrence basis and shall name ITT Rayonier Inc. and Rayonier Timberlands Operating Company, L. P., Limited Partnership as additional insured entities.

- C) Automobile Liability Insurance covering all vehicles used in PURCHASER's operations, including owned, non-owned or hired vehicles, with limits not less than \$500,000 for each person and each accident with respect to Bodily Injury, and not less than \$500,000 for each accident with respect to Property Damage, or combined single limit coverage of not less than \$500,000 for each accident with respect to Bodily Injury and Property Damage.
- 12.0 <u>Default</u>: If PURCHASER fails to perform any obligation, or breaches any provision, of this Agreement, and fails to remedy the situation to the reasonable satisfaction of RTOC after notice and demand for cure, or if an undisputed settlement remains unpaid, then RTOC shall have the right to declare this Agreement to be in default <u>and</u>, at its option: (1) terminate the Agreement, or (2) compel specific performance of the Agreement, or (3) suspend the right to remove DIRT from the LAND until the default has been remedied, and (4) seek such other form of relief as may be available by law or equity or both. Moreover, in the event of default of this Agreement, RTOC shall have the further right to declare any or all other contracts or

agreements between RTOC and the PURCHASER in default and apply all deposits against this Agreement's unpaid settlement.

#### 13.0 Miscellaneous

- 13.1 As to all matters relating to the settlement of payment, time is of the essence in the performance of this Agreement. As to all other matters, a reasonable period of time is applied.
- 13.2 Any dispute arising under the terms of this Agreement shall be submitted for resolution upon written demand to an Arbitrator mutually agreed to by the parties, or if they are unable to agree upon the Arbitrator within TEN (10) DAYS from demand for such, then to a panel of three Arbitrators, one each appointed by each party hereto, and the two arbitrators so selected shall name a third within 10 working days, or, in default thereof, the third shall be named by the Arbitration Committee of the American Arbitration Association. The arbitration shall be conducted pursuant to the laws of the State where said LAND is located and the procedural rules of the American Arbitration Association, shall proceed with due dispatch to resolution and award, and the award shall be evidenced by a writing capable of being filed and enforced through the State Court System where said LAND is located. Nothing shall give the arbitrators the power or authority to alter, amend, change, modify, add to or subtract from any of the written terms of this Agreement. The arbitrator shall determine the allocation of costs, in which allocation specific regard shall be afforded to the merits, or lack thereof of the question presented and the defenses thereto. To expedite resolution of payment upon DIRT settlements, the parties may by agreement in advance stipulate to appoint a designated arbitrator upon retainer, in lieu of the procedure above.
- 13.3 Should either party give notice to the other, then such notice shall be by certified or registered mail, postage prepaid, addressed to the parties as follows:

In the case of RTOC: ITT RAYONIER, SE FOREST RESOURCES

Attn: Kenneth N. Gay

P. O. Box 728

Fernandina Beach, FL 32034

In the case of PURCHASER: Nassau County Road Department

P. O. Box 386

Hilliard, FL 32046

- 13.4 Venue for any action arising under this Agreement is stipulated for the Court District of the County where the LAND is located whether State or Federal.
- 13.5 Complete Agreement: This Agreement constitutes the entire understanding of the parties and the same may not be amended or modified orally. All understandings, representations and

undertakings heretofore had between the parties are fully expressed in this Agreement. This Agreement may not be amended, in any respect whatsoever, except by a written document duly executed by the parties hereto. All consents herein required must be in writing.

- 13.6 Assignment: This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto, except this Agreement shall not be assigned by PURCHASER without the written consent of RTOC. Consent to one assignment shall not destroy or waive this provision, and all later assignments shall likewise be made only upon prior written consent of RTOC. ASSIGNEES SHALL BECOME LIABLE DIRECTLY TO RTOC FOR ALL OBLIGATIONS OF PURCHASER HEREUNDER, WITHOUT RELIEVING PURCHASER'S LIABILITY, i.e. PURCHASER and assignees will be jointly and severally liable to RTOC for performance and payments due RTOC by virtue of this Agreement.
- 13.7 Recordation: The parties agree that this Timber Agreement shall NOT be recorded in the public records of the County where the LAND is located; however, a memorandum form, acceptable to both parties, may be recorded at PURCHASER'S expense.

IN WITNESS WHEREOF, the parties have hereunto set their hands and delivered these presents as of the day and year first above written.

	RAYONIER TIMBERLANDS OPERATING COMPANY, L.P., Limited Partnership
	by its Managing General Partner
Witnesses:	RAYONIER FOREST RESOURCES COMPANY
Melanie J. Walians	BY: Authorized Andividual
Jein Shinn	TITLE:
	,
Witnesses:	NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
	BY: Authorized Individual
	TITLE: ChAIRMAN

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