

## **REQUEST FOR PROPOSALS**

### **Farm Land Lease – October 21, 2016 - UPDATED**

**The City of Grand Ledge invites interested persons to submit proposals to lease land for the purpose of soil cultivation and crop production.**

#### **GENERAL INFORMATION**

This Request for Proposal (RFP) is to assist the City of Grand Ledge's Abrams Municipal Airport to lease certain tillable land for the purposes of crop farming, including land cultivation and harvesting of crops, subject to certain rights, licenses, and privileges.

The City of Grand Ledge invites interested persons to submit proposals to lease land for the purpose of soil cultivation and crop production. Information regarding available land is in the proposal packet.

Proposal packets may be obtained (Monday - Friday, 8:00 a.m. – 5:00 p.m.) from the City Hall offices, 310 Greenwood Street, Grand Ledge, MI 48837 or may be downloaded from the City's website at: [www.cityofgrandledge.com](http://www.cityofgrandledge.com).

#### **TIMELINE**

Issue Date:	October 21, 2016
<b>Proposals Due:</b>	<b>By 12:00 pm, November 21, 2016</b>
City Council Award Consideration:	November 28, 2016

Inquiries to: Amee King, Assistant City Administrator  
City of Grand Ledge  
517-622-7925  
[aking@cityofgrandledge.com](mailto:aking@cityofgrandledge.com)

Responses to this request must include a maximum net rent per year proposed to the City, inclusive of all fees and expenses. Proposals must be identified as *2017 - 2019 Farm Land Lease Proposal* and directed to Amee King, Assistant City Administrator. Proposals may be submitted electronically to [aking@cityofgrandledge.com](mailto:aking@cityofgrandledge.com) or delivered to the City Hall, located at 310 Greenwood Street, Grand Ledge, Michigan 48837, before **12:00 pm, November 21, 2016**. Please ensure the proposal documents, submitted electronically or hard copies, are in an 8.5 x 11 format. Proposers are solely responsible for ensuring that proposals arrive on time. Late proposals will not be accepted.

The City of Grand Ledge reserves the right to accept any proposal, reject any or all proposals, or to waive formalities in the best interest of the City.

**2017-2019 FARM LAND LEASE BID FORM**

PARCELS	ACRES	PRICE / ACRE	MAX. NET RENT PER YEAR
#16, #3, #13, and #6*	44.59 Acres	2017:	2017:
		2018:	2018:
		2019:	2019:

\* See USDA maps included in proposal for parcel locations.

\_\_\_\_\_  
 Bidders Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Print

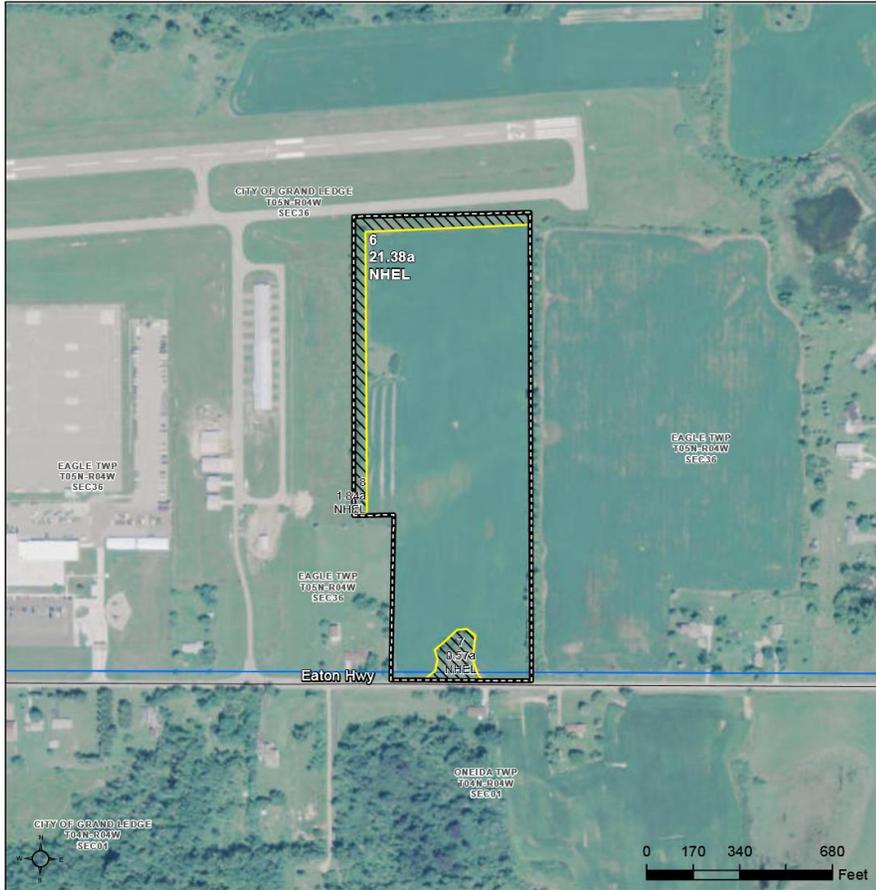
# Exhibit A: Farm Land Lease Restrictions

## Farm Land Lease Restrictions

1. No crops shall be allowed along the side of the North/South runway closer than 140' from the runway centerline.
2. No crops shall be allowed along the side of the East/West runway closer than 170' from the runway centerline.
3. No crops shall be allowed in the runway approach areas closer than 400' from the runway end.
4. No crops shall be allowed within 90' of the taxiway centerline.
5. Crops shall not block the line of sight between runways (mid-point to mid-point).
6. Aerial application of oil-based product of any kind is prohibited. Automated Weather Observation System (AWOS) sensors subject to contamination.
7. At the end of the day all equipment and hay bales must be moved back to a minimum of 250' from center line of either runway.
8. Obstacles may include but are not limited to the following:
  - Underground power in fields #2 & 4
  - Overhead power in field #4
  - Wooden stump from old NDB antenna field #4
  - Survey monument in field #2
  - Old building foundations due south of field #5
  - Buried materials (stones and/or stumps) between established fields

# Exhibit B: Parcel Locations

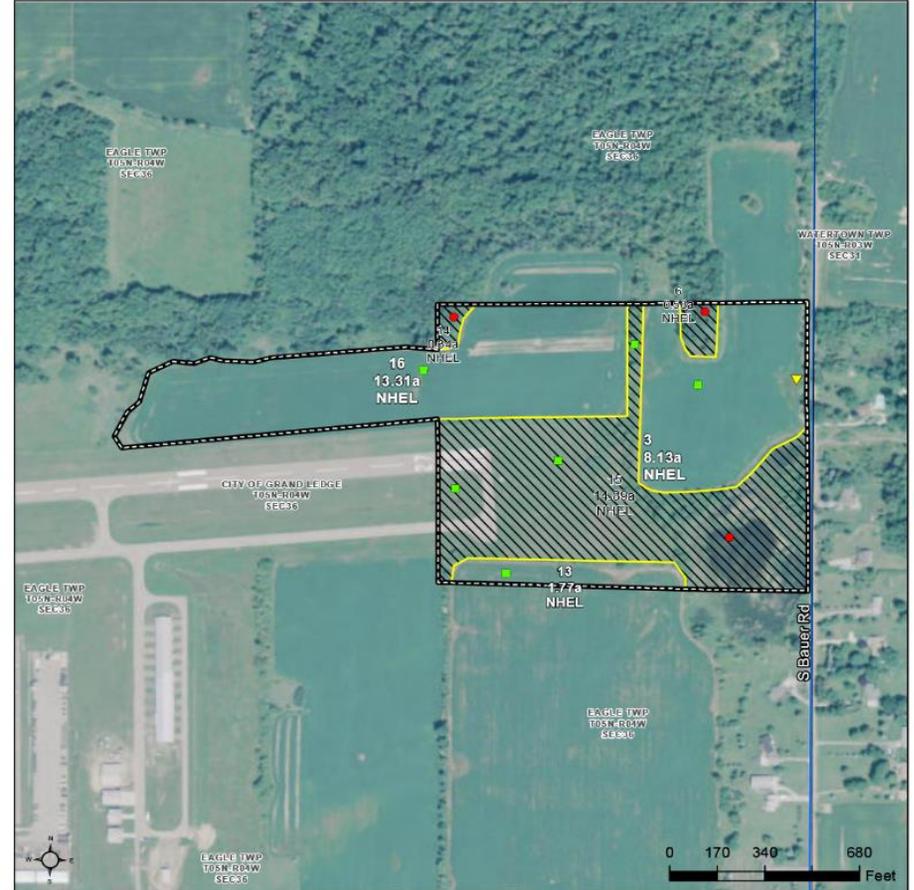
USDA United States Department of Agriculture  
**Clinton County, Michigan**



<p><b>Common Land Unit</b></p> <ul style="list-style-type: none"> <li><span style="display: inline-block; width: 15px; height: 10px; border: 1px solid yellow; margin-right: 5px;"></span> Cropland</li> <li><span style="display: inline-block; width: 15px; height: 10px; border: 1px dashed black; margin-right: 5px;"></span> Non-Cropland</li> <li><span style="display: inline-block; width: 15px; height: 10px; border: 2px dashed black; margin-right: 5px;"></span> Tract Boundary</li> <li><span style="display: inline-block; width: 15px; height: 10px; border: 1px solid blue; margin-right: 5px;"></span> Section Line</li> </ul>	<p><b>Wetland Determination Identifiers</b></p> <ul style="list-style-type: none"> <li><span style="color: red;">●</span> Restricted Use</li> <li><span style="color: green;">▼</span> Limited Restrictions</li> <li><span style="color: green;">■</span> Exempt from Conservation Compliance Provisions</li> </ul>	<p><b>2016 Program Year</b>                  Map Created October 09, 2015                  2014 NAIP Imagery</p> <p><b>Farm 8633</b>  <b>Tract 3605</b></p>
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United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership, rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact USDA Natural Resources Conservation Service (NRCS).

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## INSTRUCTIONS & SPECIFICATIONS

### City of Grand Ledge's Abrams Municipal Airport Farm Land Lease

1. PROPOSALS:

The bid price shall not include an allowance for State Sales Taxes or Federal Excise Tax. The City, upon request, will provide the successful bidder with properly executed tax exemption certificates or tax exemption numbers. All other taxes required by law shall be paid by the successful bidder.

Any proposal may be withdrawn or modified by written request, provided such request is received by the City at the above address prior to the date and time established for receipt of proposals. Proposals not so withdrawn shall constitute a firm offer to provide the services contained therein and shall remain firm for acceptance for sixty (60) days.

The cost of preparing a response to this RFP, including site visits, are the Bidder's sole responsibility and will not be reimbursed by the City of Grand Ledge.

2. QUALIFICATIONS OF BIDDERS:

Bidders must demonstrate the capability to competently and responsibly engage in soil cultivation and crop production and to comply with the Lease Agreement. The City of Grand Ledge may make that investigation as it deems necessary to determine the ability of a bidder to do so. The City reserves the right to reject any proposal if the bidder fails to satisfy the City that they are qualified to perform the work contemplated.

The City may, in its sole discretion, require bidders to submit sworn statements as to financial ability, equipment and experience in soil cultivation and crop production, and other matters that the City requires for the protection and welfare of the public in the performance of the Lease Agreement. Bidders offering proposals are strongly encouraged to incorporate such information in to their proposals.

3. CONSIDERATION/AWARD OF LEASE AGREEMENT:

The City reserves the right to reject any or all proposals, to award the contract to other than the low bidder, to accept any or all alternatives, to waive irregularities and/or informalities and, in general, to make the award in any manner deemed by it, in its sole discretion, to be in the best interest of the owner.

The City of Grand Ledge will consider all elements entering into the question determining the qualifications and responsibility of a bidder. The award of this contract shall be to the highest qualified and responsible bidder offering a compliant proposal. A qualified and responsible bidder is one who is not only financially able, but who is possessed of the judgment, skill, ability, capacity and integrity requisite and necessary to perform the Lease Agreement according to its terms.

The City of Grand Ledge may supplement or change instructions and specifications during this process. Notice of supplementation or change shall be given through the issuance of an addendum.

Any addendum will be forwarded to all persons who have requested a proposal packet or submitted a proposal, and will be posted at the City's website.

The City of Grand Ledge and/or its designee may choose to conduct interviews of qualified and responsible bidders. Further, qualified and responsible bidders may be required to make presentation[s] to the City or its designee.

4. LEASE AGREEMENT:

The successful bidder shall execute a Lease Agreement within thirty (30) days after notice of award of the Lease Agreement is given. The RFP, Instructions and Specifications, and Proposal in their entirety form the primary basis of the Lease Agreement. The City intends to enter into a 3-year lease and reserves the right to review the lease terms annually.

The City of Grand Ledge reserves the right to supplement the Lease Agreement after proposal consideration and award. The City will *consider* supplemental Lease Agreement language submitted by the selected respondent.

5. LAWS, LABOR LAWS, and EQUAL EMPLOYMENT OPPORTUNITY

The selected bidder, as well as the City of Grand Ledge, must abide by and shall be subject to all applicable Federal, State and Municipal laws, ordinances, and regulations, including those put forth from the Federal Aviation Administration. Additionally, the selected bidder shall obey and abide by all the laws of the State of Michigan relating to the employment of labor.

6. INDEMNIFICATION AND HOLD HARMLESS

The selected bidder agrees to indemnify and hold harmless the City of Grand Ledge and their officers, employees, and agents from any and all liability, loss, or damage as a result of claims, actions, suits, causes of action, proceedings, costs, expenses, judgments and liabilities of any kind whatsoever arising out of selected bidder's performance of the contractual work. It is further agreed that the selected bidder shall have the responsibility to the City of Grand Ledge for the proper performance of its professional services in conformity with the customary and usual result of the failure of such performance, provided such damages suffered by the City of Grand Ledge as a result of the failure of such performance, provided such damages are caused by the selected bidder's error, omission or negligent act, or the error, omission or negligent act of its officers, agents, or employees. No compensation will be paid to the selected bidder for services required to correct work arising out of the selected bidder's errors or omissions. Additionally, the selected bidder shall be responsible for any payment to other consultants/contractors to correct work arising from the selected bidder's errors and omissions. A representative of the selected bidder shall sign and submit Hold Harmless Agreement as evidence prior to commencement of the contractual work.

7. INSURANCES

The selected bidder shall procure and maintain during the life of the contract the following insurance coverage from a company or companies licensed to sell insurance in Michigan with an A- A.M. Best rating, or equivalent: Workers Compensation in compliance with Michigan law; Comprehensive General Liability Insurance in the amount of \$1,000,000 each occurrence for Bodily Injury Liability and Property Damage Liability.

The insurance required shall be written for the greater of limits not less than the limits of liability specified or required by the law OR primary coverage of \$1,000,000 per occurrence. Insurance on an occurrence basis coverage shall be maintained without interruption from date of commencement of operations under the contract until the date herein specified that coverage is no longer required. It is understood and agreed by naming the City of Grand Ledge as additional insured, coverage afforded is considered to be primary and any other insurance the City of Grand Ledge may have in effect shall be considered secondary and/or excess.

All certificates of insurance must be forwarded to the City of Grand Ledge prior to commencement of any work. Required insurance policies shall not be changed or canceled without ninety (90) days prior written notice to the City of Grand Ledge.

8. LATE PROPOSALS:

Proposals that are not timely received will not be accepted. Late Proposals will be returned, unopened, to the bidder.

## LEASE AGREEMENT

### City of Grand Ledge's Abrams Municipal Airport – Farm Land

THIS LEASE AGREEMENT, made and entered into this 2<sup>nd</sup> day of January, 2017, by and between the CITY OF GRAND LEDGE, MICHIGAN, a Municipal corporation whose office is located at 310 Greenwood Street, Grand Ledge, Michigan 48837 (“Lessor”), and \_\_\_\_\_, an individual, whose address is \_\_\_\_\_ (“Lessee”).

#### RECITALS

WHEREAS, the Lessee desires to lease certain tillable land that is owned, controlled, and operated by the Abrams Municipal Airport (“Airport”), situated at 16815 Wright Road, Grand Ledge, Michigan for the purpose of crop farming; and

WHEREAS, the Lessor is willing and has the authority to lease said premises, and grant certain rights, licenses, and privileges with respect thereto the Lessee;

NOW THEREFORE, for and in consideration of the mutual promises, rents, covenants, terms and conditions set forth herein, Lessor and Lessee agree as follows:

1. Premises. The Lessor hereby agrees to lease to the Lessee #16 (13.31 acres), #3 (8.13 acres), #13 (1.77 acres), and #6 (21.38 acres) parcel/s of land for a total of 44.59 acres situated on the Airport located in the City of Grand Ledge (“City), County of Clinton, State of Michigan, and as more specifically identified in Attachment A (“Leased Premises”).
2. Services. Unless directed by the City Administrator or Assistant City Administrator, the Lessee shall utilize the Leased Premises for the purpose of crop farming including land cultivation and harvesting of crops, subject to certain rights, licenses, and privileges.
3. Term of Lease. The term of this Agreement shall commence on January 2<sup>nd</sup>, 2017 and terminate on December 31<sup>st</sup>, 2019, unless sooner terminated in accordance with the terms of the Agreement. This Agreement can only be renewed by the mutual written agreement of the parties. The Lessee shall surrender possession at the end of the term or at the end of any extension thereof.

4. Rental Rates. As rent for the use of farming, the Lessee agrees to pay the total sum of \_\_\_\_\_dollars (\$\_\_\_\_\_.00), payable in annual increments of \_\_\_\_\_dollars (\$\_\_\_\_\_.00), that shall be due on January 2<sup>nd</sup>, 2017, January 2<sup>nd</sup>, 2018, and January 2<sup>nd</sup>, 2019, respectively. The 2017 rent shall be payable on the execution of this Agreement. Payment, in the form of a check or money order payable to the “City of Grand Ledge”, must be mailed or delivered to City Hall, 310 Greenwood Street, Grand Ledge, Michigan 48837.

5. Lessee Responsibilities. The Lessee shall, at its sole cost and expense, be responsible for acquiring, maintaining, and insuring all equipment and materials necessary for the Lessee to perform the services identified in this Agreement. The Lessee shall, at its sole cost and expense, secure and maintain appropriate insurance for general liability and worker’s compensation, and provide the City with a copy of the certificates of insurance. The Lessee shall procure, keep, and maintain during the term of this Agreement or any renewal thereof an insurance policy with customary limits for property and public liability caused by the acts or omissions of the Lessee. The Lessee agrees to add the Airport and the City as additional named insureds.

6. Property Rights. The Lessee has no right to exclusive possession of any portion of Lessor’s property. The Lessor reserves the right for their agents, employees, or assigns to enter the farmed area at any reasonable time for the purposes of consultation with the Lessee, making repairs, mowing, making or replacing navigation devices, or making other airfield improvements.

7. Indemnification. The Lessee agrees to indemnify and hold the Lessor harmless from any and all liability, claims, loss, damage, or expenses arising from this Agreement, including but not limited to actual attorney fees, witness fees, or other costs arising by reason of any death, injury, or property damage sustained by any person, including Lessee or any agent or employee of Lessee, where such death, injury, or property damage is caused or allegedly caused by any negligent or intentional act of Lessee, its agents, or employees, or any guest, licensee, or invitee of Lessee, or by Lessee’s failure to perform any covenant, term, condition, or act required by this Agreement. This section shall survive expiration of this agreement.

8. Termination. Either party to this Agreement may terminate this lease upon 30 days’ written notice to the other party. The right of cancellation shall be exercisable at the sole discretion of the cancelling party and requires no just cause or other reason.

9. Default. If either party willfully neglects or refuses to carry out the provisions of this lease, the other party shall have the right, in addition to damages, to terminate the lease. Notice of termination shall be in writing and specify the nature of the violations. If violations are not corrected within 30 days, the lease shall be considered terminated.

10. Breach. In the event of a material breach of the Agreement by either party, it is agreed that the non-defaulting party shall be permitted to recovery, in addition to any other remedy that may be available to it, at law or at equity, all reasonable attorney's fees and costs, and damages incurred as a direct result or consequence of such breach.

11. Jurisdiction. Any proceeding claim, or cause of action, at law or equity, arising under this Agreement or as a result of a breach thereof, shall be brought only in the appropriate court for Clinton County, Michigan. This agreement has been executed in the State of Michigan, and therefore shall be construed, interpreted, and applied on only according to the laws of the State of Michigan.

12. Conservation Practices. The Lessee shall cultivate the soil and produce crops on the leased land in a professional, sound, and conservation oriented manner, and in accordance with any requirements imposed by the Clinton County Conservation District, Michigan Department of Natural Resources, and the United States Department of Agriculture. The Lessee agrees to keep in good repair all open ditches, and inlets and outlets of tile drains, preserve watercourses, and refrain from any practices that may disrupt or injure the general operation of the Airport and/or aircraft operation including those of the Michigan National Guard.

13. Fertilizer. Application of manure (i.e., livestock excreta generated by Lessee's livestock operation) to the Leased Premises is permissible with prior notice to and written consent of the City, *provided* such is done at the proper time, using proper management techniques, and in proper amounts in strict compliance with all applicable County, State, and Federal regulations. The Lessee is responsible for any property damage (e.g., including aquifer and well contamination) caused by manure application activities (e.g., transportation, storage, and spreading of manure).

14. Conditions. Lessee shall, at the end of the lease, remove any and all equipment, machinery, materials, and other items placed or erected on the premises, and restore the premises to the initial graded condition.

15. Lessor Responsibility. Any action of the Lessor which materially and substantially interferes with Lessee's ability to cultivate the soil and produce crops on the leased land shall serve as grounds for termination of this agreement by Lessee.

16. Waste and Damage. Lessee shall not do or suffer any waste or damage to the leased land, including agreeing to prevent any accumulation of trash or rubbish that may result from the agricultural activity contemplated in this lease.

17. Airport Consideration. Lessee shall not use the Leased Premises in a manner that interferes with the safe and efficient operation of the Airport. The decision, as to what interferes with the safe and efficient operation of the Airport, is left to the Lessor's judgment and discretion.

18. No Signs. No signs or advertising shall be posted, painted, or displayed upon any portion of the Leased Premises.
19. No Right to Sublease. The Lessor does not convey to Lessee the right to lease or sublease any part of the premises or to assign this lease to any person or persons unless prior written approval is obtained from Lessor.
20. Non Partnership. This Agreement does not give rise to a partnership. Neither party shall have the authority to bind the other. Neither party shall be liable for debts or obligations incurred by the other.
21. Land Use. The Lessee shall not use the Leased Premises in a manner that would violate any federal, state, or local law, ordinance, rule, or regulation.
22. Airport Regulations. The Lessee shall observe and comply with all federal, state, and local laws, ordinances, rules, and regulations applicable to the Airport which are now in effect or are hereafter promulgated.
23. Hazardous Materials. The Lessee shall observe and comply with all applicable federal, state, and local laws, rules, and regulations concerning the handling and disposal of hazardous materials.
24. Taxes, Assessments, and Fees. The Lessee shall pay when due all taxes, assessments, fees, or charges levied against the Leased Premises which may result from the agriculture activity contemplated in this Agreement.
25. Severability. If any section or provision of this Agreement is unenforceable for any reason, the unenforceability shall not impair the remainder of this Agreement, which shall remain in full force and effect.
26. Successors and Assigns. The covenants, agreements and obligations contained in this agreement shall extend to, bind and inure to the benefit of the parties and their representative, successors and assigns.
27. Assignment. Lessee shall not assign its rights or privileges under this agreement without the prior written consent of the Lessor.
28. Liens. Lessee shall not cause or permit any lien or encumbrance to attach to or be placed upon the Lessor's title or interest in the Leased Premises.
29. Alterations. Lessee shall not make any alterations, additions or improvements to the Leased Premises without the prior written consent of the Lessor.
30. Enrollment. Lessee shall not enroll the Leased Premises in any federal, state, or local government program without the prior written consent of the Lessor.

31. Understanding and Binding Effect. This Agreement represents the entire understanding and agreement between parties, and all prior understanding and agreements are specifically merged into the Agreement. This Agreement shall inure to the benefit of and be binding upon the parties and their respective heirs, personal representatives, members, assigns, and successors.

32. Notices and Mailings. All notices and other documents to be served or transmitted shall be in writing and addressed to the respective parties at the addresses stated on Page 1 of this Agreement or such other address or addresses as shall be specific by the parties from time to time, and may be served or transmitted in person or by ordinary or certified mail properly addressed with sufficient postage.

33. Captions. The captions in this Agreement are for convenience only and shall not be considered as part of this Agreement or in any way amplifying or modifying its terms and provisions.

34. Authority. The respective signatures below expressly acknowledge that this Agreement is made and entered into with the full authority of the City of Grand Ledge City Council, and that the person/s executing this Agreement on behalf of the respective parties have been duly authorized and empowered to make and enter into this Agreement.

**IN WITNESS WHEREOF**, we have executed this Agreement on the date and year first above written.

THE CITY OF GRAND LEDGE, MICHIGAN

LESSOR:

By: \_\_\_\_\_  
Adam Smith, City Administrator

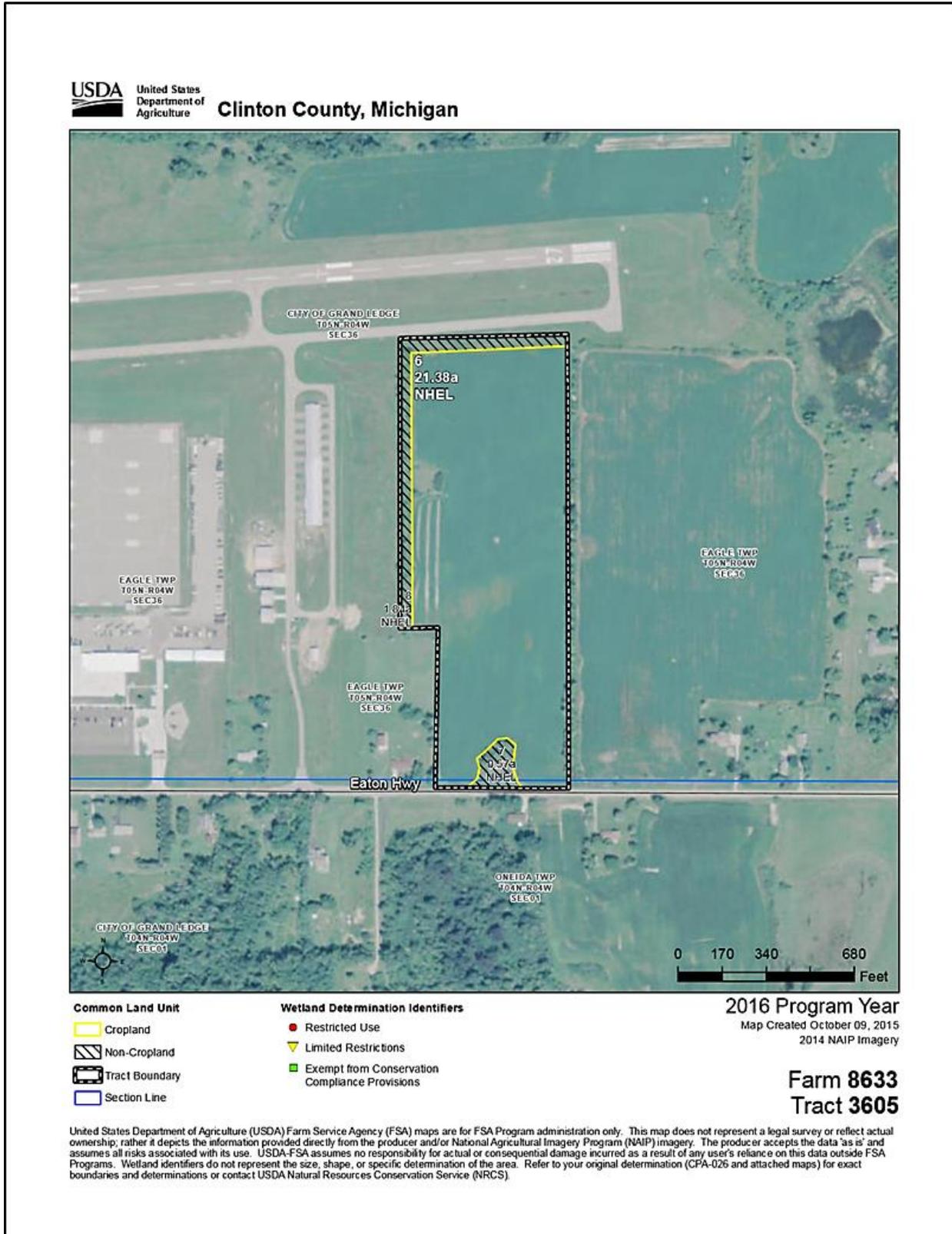
And: \_\_\_\_\_  
Gregory L. Newman, City Clerk

LESSEE:

By: \_\_\_\_\_  
\_\_\_\_\_

# Attachment A: City of Grand Ledge Abrams Municipal Airport— 2017-2019 Farm Land Lease Parcels

## Parcel #6



# Attachment A: City of Grand Ledge Abrams Municipal Airport– 2017-2019 Farm Land Lease Parcels

## Parcels #16, #3, and #13

