# CITY OF WASECA REQUEST FOR QUOTES CITY OF WASECA AIRPORT AGRICULTURAL FARMLAND LEASE CITY OF WASECA AIRPORT HAY LAND LEASE

There are approximately 198 agricultural tillable acres and approximately 33 acres of hay land located at the City Airport, available under varying circumstances, for a two (2) year lease. The quote packet contains a field map with acreages (Attachment A).

Sealed quotes will be received by the Utilities Office at Waseca City Hall and publicly opened at City Hall by the City of Waseca, Minnesota, at 9:00 a.m. on Tuesday, December 6, 2022, for leasing all fields.

If you are interested in receiving a copy of the leases, specifications, and quote forms, please contact the Utilities Office at City Hall at 835-9718. Those persons with questions may contact Carl Sonnenberg, Utilities & Public Works Director, by emailing, <a href="mailto:CarlS@ci.waseca.mn.us">CarlS@ci.waseca.mn.us</a>.

Acreages of the Airport Farm have received nitrogen application from municipal biosolids and micro-nutrients at varying levels.

The quote forms must be marked in a sealed envelope as CITY OF WASECA AIRPORT LAND LEASE and returned to the Utilities Office at City Hall no later than 9:00 a.m. (Central Standard Time) on Tuesday, December 6, 2022; at which time all quotes will be publicly opened and read aloud.

The City of Waseca reserves the right to award quotes and to reject any or all quotes in the best interests of the City, and to waive any minor irregularities, informalities, or discrepancies.

### CITY OF WASECA AIRPORT AGRICULTURAL FARMLAND LEASE QUOTE FORM

This form must be returned in a sealed envelope marked "CITY OF WASECA LAND LEASE" by 9:00 a.m. (Central Standard Time) on Tuesday, December 6, 2022, to the Utilities Office at Waseca City Hall, 508 South State Street, Waseca, MN, 56093 at which time quotes will be publicly opened and read aloud. The City of Waseca reserves the right to award quotes and to reject any or all quotes in the best interests of the City, and to waive any minor irregularities, informalities, or discrepancies. The submitted Quote **must** include both Section A and Section B. Note: Sections A and B will be awarded to a single quoter. The Lease award is based on the **Grand Total Quote** for both years.

SECTION A: AIRPORT AGRICULTURAL LAND (for years 2023 and 2024)
197.1 acres (2023) + 198.6 acres (2024) = 395.7 total acres @ \$ = \$
SECTION A TWO YEAR TOTAL \$
SECTION B: AIRPORT HAY LAND (for years 2023 and 2024)
33.6 acres per year @ \$ times 2 years = \$
SECTION B TWO YEAR TOTAL \$
GRAND TOTAL QUOTE (SECTION A + B TWO YEAR TOTAL) = \$
50% OF THE SECTION A + B TOTAL IS DUE AND PAYABLE IN FULL ON OR BEFORE DECEMBER 1 <sup>ST</sup> OF EACH LEASE YEAR.
THIS AMOUNT IS \$
PRINTED NAME & AUTHORIZED SIGNATURE
DATE, CELL PHONE, EMAIL, & MAILING ADDRESS

#### WASECA AIRPORT AGRICULTURAL LAND LEASE Specifications for 2023-2024

- 1. The following fields will be available for soybeans or field corn of <u>100-day maturity</u> or less. Acreages may vary based on land use practices.
  - Field 1S: 12.2 acres Field Corn 2023, Soybean 2024
  - Field 2: 11.1 acres Field Corn 2023, Soybean 2024
  - Field 3: 43.2 acres Soybean 2023, 44.7 acres Field Corn 2024
  - Field 4E: 34.2 acres Soybean 2023, Field Corn 2024
  - Field 4W: 14.1 acres Soybean 2023, Field Corn 2024
  - Field 5: 36.2 acres Field Corn 2023, Soybean 2024
  - Field 6NW: 15.6 acres Field Corn 2023, Soybean 2024
  - Field 6NE: 12.7 acres Field Corn 2023, Soybean 2024
  - Field 6S: 17.8 acres Field Corn 2023, Soybean 2024

2023 Total Acreage: 197.1 Acres

2024 Total Acreage: 198.6 Acres (additional 1.5 acres in Field 3)

- Portions of fields are known to be wet areas dependent on weather conditions. Rent will not be apportioned based on wet areas that may reduce crop yield.
- Note the tile line no-till area between Fields 6NW and 6NE that must be maintained weed free at the Lessee's expense. The Lessee is responsible to research all field conditions prior to bid submittal.
- All acreage is accepted by the Lessee in "as is" condition. There shall be no compensation for field debris/rock removal within this lease.

### Any change in crop rotation or other changes requested by the Lessee must receive prior written approval by the Lessor's agent, the City of Waseca Utilities & Public Works Director.

The attached map (Attachment A) details the acreage for each field. Field acreages have been determined by the City of Waseca.

If so requested by the Lessor, the Lessee shall not plant soybeans prior to approval by the Lessor. Yield reduction from planting after May 15<sup>th</sup>, by Lessor's request, will result in rent payment reduction based on yield reduction as determined by the City of Waseca. Planting after May 15<sup>th</sup>, resulting from field related weather conditions, is not eligible for rent payment reduction.

- 2. Field preparation shall be as follows:
  - a) Haylage remaining after crop harvest shall be chopped or haylage remaining shall be plowed. Acreage shall be dragged at the Lessor's request.
  - b) Bailing and removal of chopped haylage shall be at the Lessee's discretion and at the Lessee's expense.
  - c) Moldboard plowing shall be followed by dragging to level at the Lessor's request without cost to the Lessor.

- d) Soybean acreage shall be chisel plowed.
- e) Any change in field preparation by the Lessee must receive prior approval by the Lessor's agent, the City of Waseca Utilities and Public Works Director.
- f) Injection of biosolids/sludge by the Lessor will be prior to field preparation. The Lessee may choose not to do additional field preparation after sludge injection.
- 3. Fertilizers, insecticides, and herbicides may be applied only as permitted by the City upon prior written approval to ensure availability of sites for sludge application and compliance with the City's permits to apply biosolids/sludge.
- 4. Interested parties shall submit a quote on the attached Quote Form to Waseca City Hall, 508 South State Street, Utilities Office, no later than 9:00 a.m. (Central Standard Time) on Tuesday, December 6, 2022. The Quote Form shall be in a sealed envelope labeled CITY OF WASECA AIRPORT LAND LEASE. The City reserves the right to reject any or all quotes and to waive any minor irregularities, informalities, or discrepancies. Those that submit a quote shall be required to do so on all Section A and Section B fields for both years.
- 5. Persons submitting successful quotes will be required to enter into a lease agreement with the City for the fields leased. Such lease will provide that no crops grown on the property may be used for direct human consumption as required by application regulations governing the use of crops grown on land treated with municipal sewage sludge. Crops must be grown on fields as specified. No acres may be put into any set aside or other programs that would restrict future use of the lands.
- 6. In the event that any acreage is reduced due to airport expansion or other reasons the rent due shall be reduced proportionately.
- 7. Persons interested in submitting a quote may inspect information regarding the field by contacting Carl Sonnenberg, Utilities & Public Works Director via email at carls@ci.waseca.mn.us.
- 8. If needed, <u>after October 15<sup>th</sup> of each year</u>, the City may require the Lessee to remove the soybean crop from any field. Should this be the case for any field the City shall pay for custom drying costs for the crop removed. For soybean crop the City shall pay for drying costs to 13% moisture.
- 9. If needed, <u>after October 20<sup>th</sup> of each year</u>, the City may require the Lessee to remove the field corn crop from any field. Should this be the case for any field the City shall pay for custom drying costs for the crop removed. For field corn the City shall pay for drying costs to 15% moisture.
- 10. The Lessee agrees not to plant in a clear zone over the county field tile, which runs diagonally across field 6N from northeast to southwest. The purpose of this requirement is to minimize the chance of the Lessee's farm equipment from breaking the existing county field tile. The Lessee shall control noxious weeds in the clear zone at the direction of the Waseca County Agricultural Inspector or other authority.

#### CITY OF WASECA, MINNESOTA AIRPORT AGRICULTURAL LAND LEASE CROP YEARS 2023 AND 2024

THIS lease is entered into this day	of, 20, by and between the
City of Waseca, Minnesota, "Lessor", and	
of	, "Lessee".

- 1. The Lessor leases to the Lessee fields 1S (12.2 acres), 2 (11.1 acres), 3 (43.2 acres in 2023, 44.7 acres in 2024), 4E (34.2 acres), 4W (14.1 acres), 5 (36.2 acres), 6NW (15.6 acres), 6NE (12.7 acres), and 6S (17.8 acres) for a total of 197.1 acres in 2023 and 198.6 acres in 2024 which are part of the Waseca Municipal Airport located in the County of Waseca, State of Minnesota, and described as follows: Waseca Municipal Airport land located in the E ½ of Section 14, Township 107, Range 22 West. The specific fields covered by this Lease are also designated on Attachment A. Acreages may vary based on land use practices.
- 2. <u>Quote Specifications</u>. The Lessee shall submit quotes to lease the fields described above on the enclosed Quote Form. The Specifications for all fields and Quote Form executed by the Lessee are incorporated into this Lease by reference and made a part of this Lease unless specifically changed by the terms agreed to in this Lease.
- 3. Rent and Default. Annual rent as set forth on the attached Quote Form is due in full on or before December 1<sup>st</sup> of each lease year. The annual amount due shall be equal to 50% of the two-year total quote amount. **Failure by the Lessee to pay the rent when due or to comply with this agreement shall be deemed an Event of Default** and, if the Lessee fails to cure said default within ten (10) days written notice by the Lessor, an amount equal to TEN (10%) percent of the total rent stated above shall be due as additional rent. In the event the default continues, said additional rent shall be collectable as rent in addition to any other costs of enforcement as provided in this Lease.
- 4. <u>Term.</u> This Lease shall terminate on December 31, 2024 and shall not be amended in any manner except by written agreement of the Lessor and the Lessee.
- 5. Use of the Premises. The Lessee agrees as follows:
  - A. The Lessee must receive the Lessor's permission for all fertilizer and chemical applications. The Lessee agrees to voluntarily report rates of chemical and fertilizer application to the Lessor.
  - B. The Lessee agrees to voluntarily report crop yields to the Lessor.
  - C. The Lessee understands that the City of Waseca applies Municipal Biosolids/Sludge to any fields at the Lessor's discretion. Crop nutrient needs may exceed biosolids application rates. It is the Lessee's responsibility to consult with the Lessor prior to planting regarding biosolids application rates.

- D. The Lessee agrees to limit nitrogen application in order to comply with applicable State and Federal land application of sludge regulations. Animal manure or human biosolids application by the Lessee is strictly forbidden.
- E. The property is to be used for agricultural purposes only: No Hunting!
- F. Only agricultural equipment will be brought onto the property and no equipment will be stored on the property when not in actual use. No equipment, including irrigation equipment, shall be used which may cause an obstruction to air navigation.
- G. The Lessor, upon two (2) days written notice to the Lessee, may remove any crops, equipment, or other material which obstructs airport lights, air navigation facilities, or otherwise interferes with the operation of the airport, and the cost of removal will be paid by the Lessee.
- H. The Lessee will not commit, nor suffer or permit, any waste on the property and shall comply with all state, federal and local laws, regulations, and ordinances governing pest control and land use.
- I. The Lessee will farm the premises using farming practices which are generally accepted and approved in the vicinity. Tillage methods must leave 35% residue on the soil surface; moldboard plowing is not allowed on soybean grounds. Other tillage options require pre-approval by the City.
- J. The Lessee shall not assign this Lease or sublet the property without the written consent of the Lessor.
- K. At the expiration of this Lease, the Lessee will quietly surrender the property to the Lessor in good condition and repair. All tillable acreage will be plowed back before surrender.
- L. The Lessee assumes all risk of property damage, personal injury or death to themselves, their employees, customers, invitees, licensees, family, or guests while on the leased premises, and agrees to indemnify and hold harmless the City of Waseca, its officers, employees, and agents, for all claims, suits, costs, losses, damages, and expenses arising out of such personal injury, death, or property damage.
- M. The Lessee understands that the property in question is held by the Lessor for public purposes. In the event that the Lessor determines that there is a need for the property for public purposes as determined in the Lessor's sole discretion, the Lessor may reenter all or part of the premises. In the event the Lessor re-enters a portion of the premises, rent shall be abated on a pro-rata basis. Further, the Lessor will reimburse the Lessee for expenses incurred by the Lessee in planting or growing the crops together with a reasonable return thereon, provided that the Lessee shall not be reimbursed for expenses of any fertilization program designed for any period beyond

the term of this Lease. Provided, however, that the operation of this section is controlled by the provisions contained in Sections 8 and 9 of the attached "Specifications" for the fields covered by this Lease.

- N. To secure payment of the rent or any other indebtedness owing from the Lessee to the Lessor, the Lessee grants a security interest to the Lessor in all crops growing or grown on the property during the term of this Lease. This security interest also covers the products' contract rights with respect to such crops and any and all proceeds. In the event that the Lessee defaults in the payment of rent or any other obligation owing to the Lessor under this Lease, or in a performance of any of the covenants of this Lease, the Lessor may declare all sums due under this Lease to be due and payable and shall have all rights and remedies of a secured party under the Uniform Commercial Code or other applicable law. Amounts owing under this Lease shall include all costs of the enforcement of the terms of this Lease, reentering the leased premises and shall include reasonable attorney's fees. The Lessor agrees to execute a UCC-1 (attached), and, further, to execute any and all other documents as may be, from time to time, needed to perfect and maintain this security interest.
- 6. The following attachments are incorporated as part of this Lease: Map (Attachment A), Airport Agricultural Land Lease, Airport Hay Land Lease, Specifications, and Quote Form.
- 7. The Lessee shall control noxious weeds at the direction of the Waseca County Agricultural Inspector.
- 8. Field designated as One North (1N) on the Map shall not be considered part of this lease.
- 9. The Lessor's agent for this Lease is the Utilities and Public Works Director.
- 10. It is the Lessor's sole responsibility to determine the condition of the land prior to submittal of a completed Quote Form.
- 11. All planting shall comply with Waseca County ditch setback requirements.

this day of	e parties have hereunto subscribed and set their hands and seals, 20
LESSEE:	LESSOR:
Printed Name	CITY OF WASECA A Municipal Corporation
Signature	<u> </u>
Date	by Carl C. Sonnenberg, INTERIM CITY MANAGER

### AIRPORT HAY LAND LEASE CROP YEARS 2023 and 2024

THIS lease is entered into this day of	, 20	, by and between the
City of Waseca, Minnesota, "Lessor", and		
of	, "Lessee".	

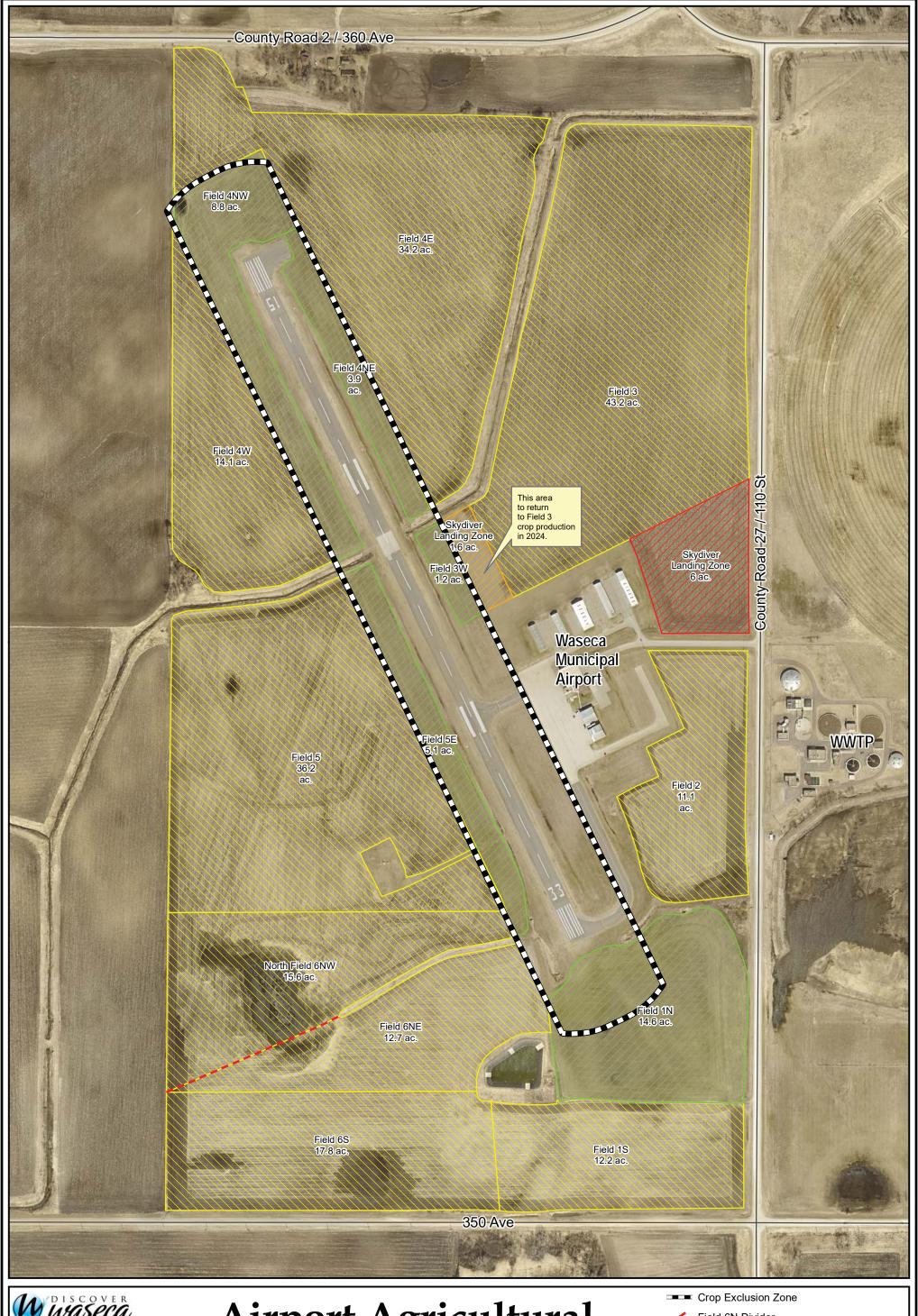
- 1. The Lessor leases to the Lessee, Fields 1N (14.6 acres), 3W (1.2 acres), 4NE (3.9 acres), 4NW (8.8 acres), and 5E (5.1 acres) for a total of approximately 33.6 acres. Those interested in submitting a quote are solely responsible to inspect the fields prior to quote submittal.
- 2. All acres were seeded with alfalfa in the spring of 2020.
- 3. These fields are Federal Aviation Administration required setbacks that border the airport runway.
- 4. <u>Quote Specifications</u>. The Lessee shall submit a quote to lease the fields described above on the attached Quote Form. The Specifications for Hay Land and Quote Form executed by the Lessee are incorporated into this Lease by reference and made a part of this Lease unless specifically changed by the terms agreed to in this Lease.
- 5. Rent and Default. Annual rent as set forth on the attached Quote Form is due in full on or before December 1st of each lease year, which is 50% of the two-year total. Failure by the Lessee to pay the rent when due or to comply with this agreement shall be deemed an Event of Default and, if the Lessee fails to cure said default within ten (10) days written notice by the Lessor, an amount equal to TEN (10%) percent of the total annual rent stated above shall be due as additional rent. In the event the default continues, said additional rent shall be collectable as rent in addition to any other costs of enforcement as provided herein.
- 6. <u>Term.</u> This Lease shall terminate on December 31, 2024 and shall not be amended in any manner except by written agreement of the Lessor and the Lessee.
- 7. Use of the Premises. The Lessee agrees as follows:
  - A. The Lessee agrees to report crop yields to the Lessor after every harvest.
  - B. The Lessee shall not apply nitrogen in order for the Lessor to comply with applicable State and Federal land application of sludge regulations.
  - C. The property shall be used for agricultural purposes only.
  - D. Only agricultural equipment will be brought onto the property and no equipment will be stored on the property when not in actual use. No equipment, including

- irrigation equipment, shall be used which may cause an obstruction to air navigation.
- E. The Lessor, upon two (2) days written notice to the Lessee, may remove any crops, equipment, or other material which obstructs airport lights, air navigation facilities, or otherwise interferes with the operation of the airport, or construction of wastewater infrastructure (sewers/structures).
- F. The Lessee will not commit, nor suffer or permit, any waste on the property and shall comply with all State, Federal, and local laws, regulations, and ordinances governing pest control and land use.
- G. The Lessee will farm the premises using farming practices which are generally accepted and approved in Waseca County and as approved by the Lessor.
- H. The Lessee shall not assign this Lease or sublet the property without the **prior** written consent of the Lessor.
- I. At the expiration of this Lease, the Lessee will quietly surrender the property to the Lessor in the same existing good condition and repair.
- J. The Lessee assumes all risk of property damage, personal injury, or death to himself, his employees, customers, invitees, licensees, family, or guests while on the leased premises, and agrees to indemnify and hold harmless the City of Waseca, its officers, employees, and agents, for all claims, suits, costs, losses, damages, and expenses arising out of such personal injury, death, or property damage.
- K. The Lessee understands that the property in question is held by the Lessor for public purposes. In the event that the Lessor determines that there is a need for the property for public purposes as determined in the Lessor's sole discretion, the Lessor may re-enter all or part of the premises. In the event the Lessor re-enters a portion of the premises, rent shall be abated on a pro-rata basis. Further, the Lessor will reimburse the Lessee for expenses incurred by the Lessee in planting or growing the crops together with a reasonable return thereon, provided that the Lessee shall not be reimbursed for expenses of any fertilization program designed for any period beyond the term of this Lease.
- L. To secure payment of the rent or any other indebtedness owing from the Lessee to the Lessor, the Lessee grants a security interest to the Lessor in all crops growing or grown on the property during the term of this Lease. This security interest also covers the products' contract rights with respect to such crops and any and all proceeds. In the event that the Lessee defaults in the payment of rent or any other obligation owing to the Lessor under this Lease, or in a performance of any of the covenants of this Lease, the Lessor may declare all sums due under this Lease to be due and payable and shall have all rights and remedies of a secured party under the Uniform Commercial Code or other applicable law. Amounts owing under this

Lease shall include all costs of the enforcement of the terms of this Lease, reentering the leased premises and shall include reasonable attorney's fees. The Lessee agrees to execute any and all other documents as may be, from time to time, needed to perfect and maintain this security interest.

- M. No hunting is allowed on the leased premises.
- 8. The Lessee shall control noxious weeds at the direction of the Waseca County Agricultural Inspector.
- 9. The City of Waseca reserves the right to reject any or all quotes and to waive any minor irregularities, informalities, or discrepancies. The Lessee shall be required to submit a quote on all fields (Section A and Section B) and for both years.
- 10. The Lessor's agent for this Lease is the Utilities and Public Works Director.

	F, the parties have hereunto subscribed and set their hand 20
LESSEE:	LESSOR:
PRINTED NAME	_ CITY OF WASECA A Municipal Corporation
SIGNATURE	_
DATE	by: Carl C. Sonnenberg, INTERIM CITY MANAGER





Map #20141004-3 | Date Printed: 10/27/2022

## Airport Agricultural **Land Lease**

Field 6N Divider

#### **CROP LAND TYPES**

Ag Land Lease

Hay Only Lease

Skydiver Landing Zone (Permanent)

Skydiver Landing Zone (2023 Only)