# KENDALL COUNTY FOREST PRESERVE DISTRICT

HISTORIC KENDALL COUNTY COURTHOUSE 110 WEST MADISON STREET YORKVILLE, IL 60560

### 2019-2021 Farm Lease Agreement

# Call for Proposals from Farm Operators for the Leased Farming of 106.7-acres of Property Located at Baker Woods Forest Preserve in Minooka, Illinois for Calendar Years 2019 through 2021



Sealed bids will be accepted at the Kendall County Forest Preserve District's Headquarters located in the Kendall County Historic Courthouse, 110 W. Madison Street in Yorkville, IL 60560 through 12:00 PM on Friday, September 7, 2018.

Bids will be opened and read aloud at 12:15 PM on Friday, September 7, 2018 in the Kendall County Historic Courthouse - East Wing Conference Room.

#### **District Contact Information**

Kendall County Forest Preserve District David Guritz, Director 110 W. Madison Street 630-553-4131 kcforest@co.kendall.il.us

# Baker Woods Forest Preserve – Farm Lease Agreement 2019 through 2021 Call for Proposals

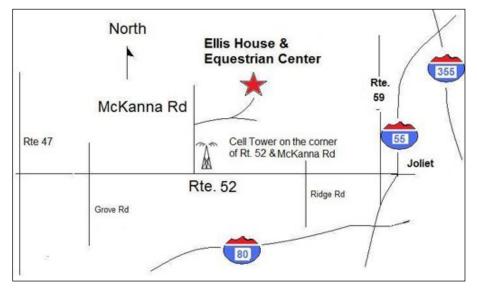
#### Legal Notice:

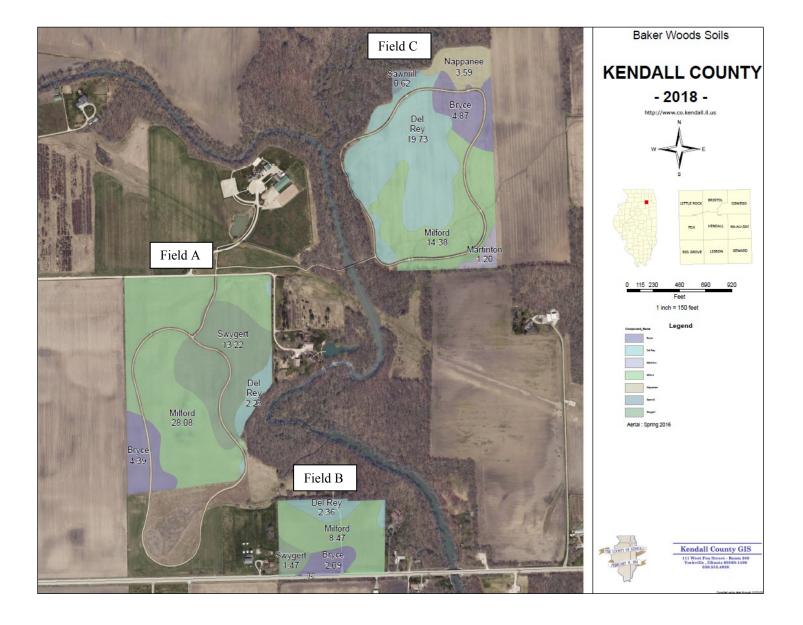
The Kendall County Forest Preserve District (KCFPD) is accepting proposals from qualified Farm Operators for the Leased farming of 106.7-acres of property located at Baker Woods Forest Preserve in Minooka, Illinois. The 106.7-acres are divided into three separate fields (Fields A, B and C). Fields A and B are readily accessible from KCFPD improved roadway entrances and access routes. Field C is not readily accessible. Qualified bidders are required to secure and provide confirmation of the necessary permissions from adjacent private land owner(s) to access Field C with farming equipment for the duration of the contract.

Bid packets may be picked up from the Kendall County Historic Courthouse, 110 W. Madison Street in Yorkville, IL 60560 beginning Friday, August 17, 2018, or can be found online at <u>http://www.co.kendall.il.us/call-for-bids/</u>. Sealed bids will be accepted at the Kendall County Forest Preserve District's Headquarters located in the Kendall County Historic Courthouse, 110 W. Madison Street in Yorkville, IL 60560 through 12:00 PM on Friday, September 7, 2018. Bids will be opened and read aloud at 12:15 PM on Friday, September 7, 2018 in the Kendall County Historic Courthouse - East Wing Conference Room. For more information, contact David Guritz, Director at 630-553-4131, or email at kcforest@co.kendall.il.us.

#### Location Maps and Parcel Soils Data

The Baker Woods Forest Preserve is located in Kendall County near the intersection of Route 52 and McKanna Drive in Minooka, Illinois 60447. Baker Woods Forest Preserve includes the Ellis House and Equestrian Center located at 13986 McKanna Rd., Minooka, IL 60447.





SOIL TYPES AND ACRES BY PARCEL				
Farm Parcel	Soil Type	Total Acres		
FIELD A (2018 Crop – Corn)				
<u>Parcel #</u> 09-16-200-003	Bryce	4.39		
	Del Rey	2.23		
	Milford	28.08		
	Swygert	13.22		
FIELD B (2018 Crop – Corn)				
<u>Parcel #</u> 09-16-200-003	Bryce	2.09		
	Del Rey	2.36		
	Milford	8.47		
	Swygert	1.47		

FIELD C (2018 Crop – Soybeans)			
	Bryce	4.87	
	Del Rey	19.73	
<u>Parcel #</u> 09-10-300-002	Milford	14.38	
and 09-09-400-003	Martinton	1.2	
	Nappanee	3.59	
	Sawmill	0.62	
	Total Acres	106.7	
ACRES BY SOIL TYPE			
Soil Type	Acres by Soil Type	Percent of Total	
Bryce	11.35	10.64	
Del Rey	24.32	22.79	
Milford	50.93	47.73	
Swygert	14.69	13.77	
Martinton	1.2	1.12	
Nappanee	3.59	3.36	
Sawmill	0.62	0.58	
Total Acres	106.7	100	
SOIL PRODUCTIVITY DATA - 2012			
Soil Type	Productivity Bu/Acre	Productivity Bu/Acre	
	(Corn)	(Soybeans)	
Bryce	143	48	
Del Rey	133	44	
Milford	151	50	
Swygert	140	46	
Martinton	153	51	
Nappanee	102	36	
Sawmill	167	53	

Productivity data source

http://soilproductivity.nres.illinois.edu/table2revB810kro2012.pdf

#### **Bidder Instructions:**

In order to participate in the bidding process, Farm Operators must fully complete the required **Statement of Professional Experience** and **Bid Form**.

Fields A and B are readily accessible from KCFPD improved roadway entrances and access routes. Field C is not readily accessible. Bidders are required to secure necessary permissions, and provide confirmation of Field C access permission(s) from adjacent property owners.

Sealed bids will be accepted at the Kendall County Forest Preserve District's Headquarters located in the Kendall County Historic Courthouse, 110 W. Madison Street in Yorkville, IL 60560 through 12:00 PM on Friday, September 7, 2018. Bids will be opened and read aloud at 12:15 PM on Friday, September 7, 2018 in the Kendall County Historic Courthouse East Wing Conference Room. Sealed bids should be clearly marked "Baker Woods Forest Preserve Farm Lease Proposal."

Following bid opening, an apparent high bidder will be declared, with subsequent development of a three (3) year farm lease agreement with the Kendall County Forest Preserve District subject to approval by the Kendall County Board of Commissioners.

A copy of the Farm Lease Agreement contract template is included within this bid packet as **Exhibit 1**.

#### Insurance Requirements:

The successful bidder will provide the Kendall County Forest Preserve District with a Certificate of Insurance listing the Kendall County Forest Preserve District as additionally insured on the liability policy as a certificate holder. Certificate coverage must meet the following stated amounts:

- A. The Lessee shall maintain one million dollars (\$1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Lessor. Lessee shall purchase insurance with said company naming the Lessor as additional insured on the liability policy. Policy must cover all contractors hired by the Lessee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.
- B. The Lessee shall obtain and maintain, at the Lessee's expense, appropriate and adequate insurance coverage for the Lessee's personal property in amounts determined by the Lessor to be adequate.

## Baker Woods Forest Preserve – 2019 - 2021 Farm Lease Agreement Statement of Professional Experience

Farm Operator Name:			
Farm Operator Address:			
Address:			
City:			
State:			
Zip Code:			
Contact Information:			
Home Phone: _			
Cell:			
E-mail:			

**Statement of Professional Experience** 

(Please briefly summarize your experience as a Farm Operator including any education or specialized training received).

#### References

(Provide three references from other Agricultural Industry Professionals and/or current property owners you are leasing property from for farming purposes).

Name	Contact Information	Title / Relationship

Field C Adjacent Property Owner Information, Access Permissions and Certification

(Provide documentation including adjacent property owner name and contact information)

Adjacent Property Owner Name: \_\_\_\_\_

**Contact Phone Number:** 

I certify that I have contacted adjacent property owner(s), and have secured the required access permissions to Field C (\*).

Printed Name

Signature

Date

(\*) Bidders unable to demonstrate and certify Field C access permissions will be disqualified. The District reserves the right to reject any bids received.

### Baker Woods Forest Preserve – 2019 through 2021 Farm Lease Agreement Bid Form

All bidders are strongly encouraged to read through the Exhibit 1: Farm Lease Agreement Contract Template. The Farm Lease Contract will include provisions for calculating the required and non-negotiable formula-based yield payment for each farming year based on prevailing market rates.

### EXHIBIT 1: FARM LEASE AGREEMENT CONTRACT TEMPLATE

#### FARM LEASE AGREEMENT #18-XX-XXX

#### **Baker Woods Forest Preserve**

AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 2018 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, IL, 60560, Lessor, and (*Farm Operator Name*), of (*Permanent Address*), Lessee, including all heirs and assigns.

WHEREAS, the Lessor is the owner of certain lands situated in the County of Kendall, Township of Seward and State of Illinois described as:

PIN#s:	Field A and B: 09-16-200-013
	Field C: 09-10-300-002 and 09-09-400-003

WHEREAS, Lessee desires to use the above-described real estate for farming purposes and Lessor desires to have the real estate farmed.

WHEREAS, both Lessee and Lessor hereby agree that there are 106.7 tillable acres suitable for row crops on the above referenced parcels, these tillable acres hereinafter referred to as the 'Subject Property'; and the Lessor hereby grants to the Lessee a farm lease in exchange for the following goods, services, and considerations, submitted as a use fee for a term of three (3) years, beginning on January 1, 2019, and ending on December 31, 2021 subject to the conditions and limitations hereinafter mentioned.

Lessee shall pay Lessor a **Base Rate** of \$\_\_\_\_\_ per tillable acre for each of the three years of the lease agreement. The Base Rate shall be payable no later than May 30 within each of the three lease years, and Lessee agrees that failure to pay by this date may terminate this Lease Agreement.

Lessee shall pay Lessor a **Flexible Rate** equal to: ((((Average Grain Price - Basis) x Yield) + Crop Insurance) x 33.33%) - Base Rent (*See Exhibit A for example*.)

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at \$0.30 for corn and \$0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page one of this agreement.

Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Lessee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31 of each Lease year. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Lessor.

NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.

2. The "Baker Woods Forest Preserve – 2019 through 2021 Farm Lease Agreement Call for Proposals" information packet and base rent bid sheet submitted by the Lessee is incorporated into and made part of this agreement as Exhibit B.

3. This Agreement grants only a contractual lease to use the Subject Property under the terms and conditions state above. Further, the rights granted by District herein shall vest only in Lessee and no such rights shall vest in any of Lessee's employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Lessee any legal or equitable interest in the Subject Property.

4. Lessor makes no claims as to the tax status of the Subject Property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Lessee to pay such taxes as are incurred during the term of this lease. In the event the Subject Property becomes taxable at any time during the term of this Lease, Lessee shall be required to pay those taxes that are incurred during the term of this lease. At the termination of this Agreement, Lessee shall pay tax incurred during the term of this lease, though not yet due and owing. Where taxes have yet to be determined, Lessee shall pay the estimated taxes based on 100% of the previous year's taxes. Any such taxes shall be prorated as needed.

5. The Lessor agrees that the Lessee may, without further license on the part of the Lessor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Lessee is responsible for maintaining the soil according to the methods adopted in Lessee's farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Lessor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

6. The Lessee has inspected the Subject Property prior to signing this Agreement and accepts the condition of this "as is."

7. The Lessee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.

8. Lessee shall keep and provide to the Lessor the following records:

- A. Soil Samples The Lessee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Lessor. Soil test results shall be due to the Lessor by July 1. The Lessee shall apply the minimum amount of fertilizer required to maintain the soil fertility based on the following:
  - i. For corn, elemental P (phosphorus) shall be maintained at 80 pounds per acre and elemental K (potassium) shall be maintained at 50 pounds per acre.
  - ii. For soybeans, elemental P (phosphorus) shall be maintained at 50 pounds per acre and elemental K (potassium) shall be maintained at 75 pounds per acre.

- B. Global Positioning System data of crops and yields harvested.
- C. Fertilizers and rates applied.
- D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.

9. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Lessee's expense for product and application. No carry over credit will be allowed from previous year's application.

10. If Lessee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Lessee farms the Subject Property for a period less than four (4) years, the Lessor will reimburse the Lessee for the cost of the limestone less the total annual depreciation. Lime shall be applied when soil pH is less than 6.2.

11. The Lessee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Lessor. Lessee shall provide grain sheets to Lessor.

Α.	
B.	
C. ]	

12. It is agreed that the tillable land on this farm should be devoted to row crops. The Lessor may require an un-tilled buffer a minimum of 10 feet from certain woodlands or waterways. This buffer shall be planted with a cover crop by the Lessee at the inception of this Lease with a seed mix approved by Lessor. Lessor shall provide map to Lessee showing buffer areas to be planted.

### 13. Pesticide Use

- A. Lessee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Lessee shall supply Lessor with a copy of a valid State of Illinois pesticide applicator's license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Lessee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Lessor with a copy thereof.
- B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.
- C. Lessee shall provide Lessor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
- D. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application. Use of atrazine (weed control) and neonicotinoid pesticides (seed treatments including imidacloprid, thiamethoxam, and clothianidin formulas) are prohibited from application within the license area.
- E. Lessee is responsible, at the Lessee's sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Lessor.

14. Lessee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.

15. The Lessee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm in a careful and prudent manner.

16. Upon termination of this Agreement, Lessor may request the Lessee to provide services associated with restoration of the Subject Property. Such services may include plowing, herbiciding, tilling, seeding, and maintenance mowing. Financial arrangement shall be mutually agreed upon by Lessor and Lessee should these services be requested.

17. Lessor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Lessee, as provided in this Lease.

18. The Lessee agrees that this Lease is purely a personal lease to use the Subject Property for farming purposes. The Lessor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Lessee. In the event of any termination, Lessor shall pay the Lessee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Lessee provides fertilizer and pesticide costs, as provided in this section, Lessee hereby waives its rights to request or seek any other amount from Lessor in the event the License granted herein is terminated.

#### 19. Insurance & Liability

- A. The Lessee shall maintain one million dollars (\$1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Lessor. Lessee shall purchase insurance with said company naming the Lessor as additional insured on the liability policy. Proof of such coverage must be on file with the Lessor on or before March 30th of the first year of the License. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Lessee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.
- B. Lessee shall obtain and maintain, at the Lessee's expense, appropriate and adequate insurance coverage for the Lessee's personal property in amounts determined by the Lessee to be adequate. Lessee shall provide a copy of all insurance policies to Lessor upon request of Lessor.
- C. Lessee shall hold harmless, indemnify, and defend the Lessor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys' fees, on account of (a) any failure on the part of the Lessee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Lessee. The provisions of this section shall be in addition to, and shall

not be limited by, the amounts of any insurance provided by Lessee pursuant to this Agreement.

20. This Lease is not assignable or transferable to any person, company, or corporation, in whole or in part.

21. It is mutually agreed that the Lessee is an independent contractor, not subject to the control of the Lessor and is not an employee of the Lessor.

22. Lessee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Lessee's use or occupancy of the Subject Property (a "Lien"). If the Subject Property becomes encumbered with any Lien, Lessor may, at Lessor's option, terminate this Agreement or direct Lessee to remove any such lien from the subject property. Lessee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Lessee, and shall be reimbursed by Lessee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys' fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

23. Lessee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

24. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

25. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys' fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

26. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

27. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.

Lessor:

Kendall County Forest Preserve District

By: \_\_\_\_

Judy Gilmour, President

Lessee:

Date:

By:\_\_\_\_\_ Farm Operator

Date:\_\_\_\_\_

### Exhibit A

#### Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of \$200 per acre:

Average grain price = Corn \$5 per bushel Basis = \$0.30 per bushel Yield = 200 bushels per acre x 100 acres = 20,000 bushels Crop Insurance = 0Base Rent = 100 acres x \$200 per acre = \$20,000

((((Average Grain Price - Basis) x Yield) + Crop Insurance) x 33.33%) - Base Rent

 $((((\$5 - \$0.30) \times 20,000) + 0) \times 33.33\%) - \$20,000 = \$11,330.20$ 

The base rate amount is due May 30. The flexible rate amount is due December 31.