

**Information for Bidders**

**For Lease of City Lands**

**For The Growing of**

**Agricultural Crops**

1. Bids will be accepted until 11:00 a.m., Thursday, September 25, 2014.
2. Bids will be received by the Willmar City Clerk's Office located at 333 SW 6<sup>th</sup> St., Willmar, MN 56201.
3. Bids will be opened at 11:00 a.m., Thursday, September 25, 2014, in Conference Room #1 of the Willmar City Office Building located at 333 6<sup>th</sup> St. SW, Willmar, MN.
4. All land shall be used for the growing of agricultural crops ONLY, except lessee may not plant sugar beets (see model lease).
5. The lease will be for a four-year period beginning in December 15, 2014 and ending December 15, 2018. Lessee shall not be allowed to sublet any tract of land without prior approval of the City of Willmar.
6. The lease agreements will require the leased land to be plowed back prior to the termination of the lease on December 15, 2018.
7. Bids can be made either as a set dollar amount per acre for the entire four-year period OR a separate dollar amount per acre for each of the four-years.

8. HOLD HARMLESS:

Tenant shall defend, indemnify and hold Landlord harmless from any liability, loss, cost, and obligations, including reasonable attorneys' fees, arising out of the use of the Premises by Tenant, Tenant's employees, officers, agents, clients and invitees. Landlord shall defend, indemnify and hold Tenant harmless from any liability, loss, cost, and obligations, including reasonable attorneys' fees, arising out of negligent or willful acts by Landlord, its employees, officers, agents, clients and invitees in meeting Landlord's obligations under this Lease.

Tenant knows, understands and acknowledges the risks and hazards associated with using the Premises and hereby assumes any and all risks and hazards associated therewith. Tenant hereby irrevocably waives any and all claims against the Landlord or any of its officials, employees or agents for any bodily injury (including death), loss or property damage incurred by Tenant as a result of using the Premises and hereby irrevocably releases and discharges the Landlord and any of its officials, employees or agents from any and all claims of liability.

10. PROPOSAL FORM:

All proposals must be made upon the blank form of proposal attached herein. The proposal shall be filled in completely and must be signed and acknowledged by the bidder, in accordance with the directions in the proposal. In order to insure consideration, the proposal and all papers bound and attached thereto shall be delivered in a sealed envelope marked on the front "Bid on Crop Leases", addressed to the City Clerk and plainly marked with name of bidder.

11. SPECIAL RESTRICTIONS:

The following properties may be put up for sale, or portions of tracts, during the four year lease period: Tract 1, Tract 2, Tract 3, Tract 4, Tract 5, Tract 6, and Tract 7. As stated in the sample lease attached the following is the process when the City sells leased land:

Early Termination by Landlord. In the event that Landlord shall sell any of the Premises, or in the event that any of the Premises shall be converted for other governmental use, Landlord is entitled to terminate this Lease with respect to the portion of the Premises sold or converted to governmental use upon written notice to Tenant, and the rents payable by Tenant shall be reduced on a pro rata basis. Landlord's liability upon such early termination shall be limited to the damages for the loss of any crop growing on the Premises at the time of such early termination.

12. INSURANCE REQUIREMENTS: Please note new insurance requirement on sample lease and below, certificate of insurance shall be submitted with signed lease for be contract to be awarded.

In addition to the following, Tenant shall maintain, at Tenant's expense, insurance on Tenant's property located in and upon the Premises, and shall assume the risk of loss to such property on the Premises.

Required Insurance. Tenant agrees to maintain, at Tenant's expense, a comprehensive general liability insurance policy in the minimum amount of \$1,000,000 per occurrence and general aggregate, or as indicated in the certificate(s) of insurance attached hereto as **Exhibit B**, whichever amounts are greater. Tenant also agrees to maintain worker's compensation and employer's liability insurance as and in such minimum amounts as required by law, and comprehensive automobile liability insurance in the minimum amount of \$1,000,000 combined single limit for each accident (shall include coverage for all owned, hired and non-owned vehicles) or as indicated in the certificate(s) of insurance attached hereto as **Exhibit B**, whichever amount is greater. All policies listed above shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable). With the exception of the Worker's Compensation policies, all policies listed above shall insure the defense and indemnity obligations assumed by Tenant under this Lease, and shall name the Landlord as an additional insured under the policy. All polices listed above shall contain a provision that coverages afforded thereunder shall not be canceled or non-renewed, nor shall coverage limits be reduced by endorsement, without 30 days prior written notice to CITY.

12. OMISSIONS AND DESCREPANCIES:

Should a bidder find discrepancies in or omissions from the drawings, maps or contract documents, or should the bidder be in doubt as to their meaning, the bidder should at once notify the City Clerk who may send a written instruction to all bidders.

13. AWARD OF CONTRACT:

The Willmar City Council reserves the right to reject any and all bids, to waive informalities and to accept any bid deemed to be the most favorable to the interests of the City of Willmar and to award a lease to the highest bidder capable of performing the work within the scheduled completion dates. The successful bidder shall be a bona fide lessee currently in and whose primary business is agricultural crop management.

TRACT ONE

Land located in Sections 17 and 18, Township 119N, Range 35W which contains 100.0 acres of which 73 acres, more or less, are tillable, described as follows:

The N1/2 of the SW1/4 of the NW1/4 of Section 17 and the S1/2 of the NE1/4 of Section 18, all in Township 119N, Range 35W, and EXCEPT that part of the SW1/4 of the NE1/4 of Section 18, Township 119N, Range 35W, shown as Parcel 5 on the plat designated as State Highway right-of-way Plat numbered 34-6 on file and of record in the Office of Kandiyohi County Recorder.

TRACT TWO

Land located in Section 17, Township 119N, Range 35W, which contains 143.8 acres, more or less, that are tillable, described as follows:

The SW1/4 of the SE1/4 and the South 215 feet of the west 565 feet of the NW1/4 of the SE1/4 and; the SE¼ of the SW1/4 of Section 17, Township 119N, Range 35W and;

The part of the NE1/4 of the SW1/4 of Section 17, Township 119N, Range 35W described by metes and bounds as follows, to-wit: Beginning at the SW corner of the NE1/4 of the SW1/4 of said Section 17; thence easterly along the south line of the NE1/4 of the SW1/4 of said Section 17 to the SE corner of the NE1/4 of the SW1/4 of said Section 17; thence 200 feet north along east line of the NE1/4 of the SW1/4 of said Section 17; thence northwesterly to a point on the west line of the NE1/4 of the SW1/4 of Section 17 which point is 650 feet north of the SW corner of the NE1/4 of the SW1/4 of said Section 17 as measured along the west line of the NE1/4 of the SW1/4 of said Section 17; thence 650 feet south along the west line of the NE1/4 of the SW1/4 of said Section 17 to the point of beginning, containing approximately 12.9 acres.

The SW1/4 of the SW1/4, Section 17, Township 119N, Range 35W, EXCEPTING THEREFROM the west 25 rods of the south 36 rods thereof, and the NW1/4 of the SW1/4, Section 17, Township 119N, Range 35W, EXCEPTING THEREFROM the following parcels, to-wit:

1. That part of the NW1/4 of the SW1/4 of Section 17, Township 119N, Range 35W, lying north and west of the center line of County Ditch No. 10 located in the NW1/4 of the SW1/4 of said Section 17, containing approximately 3.5 acres, and
2. That part of the NW1/4 of the SW1/4 of Section 17, Township 119N, Range 35W, described by metes and bounds as follows, to-wit: Beginning at the NE corner of the NW ¼ of the SW1/4 of Section 17, Township 119N, Range 35W, thence south along the east line of the NW1/4 of the SW1/4 of said Section 17 to a point 650 feet north of the SE corner of said NW1/4 of the SW1/4 of said Section 17; thence northwesterly along a line (which line if projected northwesterly would intersect the west line of said Section 17 a distance of 150 feet south of the NW corner of the SW1/4 of said Section 17) to the center line of said County Ditch No. 10; thence northeasterly along the center line of the County Ditch No. 10 to a point where the center line

of said Ditch intersects the north line of the NW1/4 of the SW1/4, thence easterly along the north line of said NW1/4 of the SW1/4 of said Section 17 to the NE corner of the NW1/4 of the SW1/4 of said Section 17, which point is the point of beginning , containing 8.8 acres.

Except that part of the Southwest Quarter of the Southeast Quarter (SW1/4 of SE1/4) of Section 17, Township 119, Range 35, described as follows: Commencing at the Southwest corner of the Southeast Quarter of said Section 17; Township 119, Range 35, described as follows: Commencing at the Southwest corner of the Southeast Quarter of said Section 17; thence on a geodetic bearing of N 88°41'00" E along the South line of said Section 17 a distance of 61.89 feet to the point of beginning of the land to be described ; thence continuing on a bearing of N 88°41'00" E along the South line of said Section 17 a distance of 470.11 feet; thence on a bearing of N 0°38'08" E a distance of 568.45 feet; thence on a bearing of S 89°07'13" W a distance of 470 feet; thence on a bearing of S 0°38'08" W a distance of 572.03 feet to the point of beginning.

#### TRACT THREE

Land described as: Lot 9, Block One, Willmar Industrial Park Third Addition, which contains 12.50 acres, more or less, of which 11.01 acres are tillable.

#### TRACT FOUR

Land located in Section 20, Township 119N, Range 35W, which contains 60.0 acres of which 56, more or less, is tillable, described as follows:

The north 1,320 feet of the west 1,980 feet of the N ½ of NW1/4 of Section 20, Township 119N, Range 35W, subject to easement for road and subject to easement of record.

#### TRACT FIVE

Land located in Section 17, Township 119N, Range 35W, which contains 17.2 acres, more or less, that are tillable described as follows:

The south 330 feet of the SE1/4 of the NW1/4 of Section 17, Township 119N, Range 35W, which lies east and north of County Ditch No. 10 and that part of the SW1/4 of the NE1/4 of Section 17, Township 119N, Range 35W, which lies north and west of County Ditch No. 10 and EXCEPTING THEREFROM the north 460 feet and of the west 1900 feet.

\*\* Note- this tract has no public access

#### TRACT SIX

Land located in Sections 16 and 17, Township 119N, Range 35W, which contains 74.03 acres, more or less, that are tillable described as follows:

Municipal property in and around the Willmar Municipal Airport that is south of county Ditch No. 10, north of Trunk Highway No. 40 and west of C.S.A.H. No. 5 and west the MUC KVV Overhead wires and; EXCEPTING THEREFROM those parts of the setback from the paved runway and as detailed in exhibit marked "Tract VI".

TRACT SEVEN

Land located in property described as: Lot 1, Block Three, Willmar Industrial Park Third Addition, which contains 29.97 acres, more or less, 24.48 acres that are tillable.

TRACT EIGHT

Land located in Section 23, Township 119N, Range 36 (St. Johns Township- site of new Waste Water Treatment Plant) containing 188.67 acres, of which 77.41 acres more or less that are tillable described as:

The East 2040' of SE1/4; and the West 600' of the SE ¼ ; SE ¼ of SW ¼ except that party lying westerly of C. Ditch #19, all in Section 23, Township 119, Range 36.

R.O.W ONE

Land located in Section 14, Township 119N, Range 36W, which contains 14.12 acres of which 14.1 acres, more or less, that are tillable, described as follows:

Willmar Municipal Airport Right-Of-Way Plat No. 1-2 listing Parcel 4-A, Parcel 4-B, Parcel 4-C, Parcel 4-D, Parcel 4-E, and Parcel 4-F.

R.O.W THREE

Land located in Section 18, Township 119N, Range 35W, which contains 10.98 acres of which 10.62 acres, more or less, that are tillable, described as follows:

Willmar Municipal Airport Right-Of-Way Plat No. 1-3. Parcel 11-B.

R.O.W FOUR

Land located in Section 13, Township 119N, Range 36W, which contains 162.36 acres, more or less, 138.94 acres that are tillable, described as follows:

Willmar Municipal Airport Right-Of-Way Plat No. 1-1 listing Parcel 6-A, Parcel 6-B, Parcel 6-C, Parcel 7-E1, Parcel 7-E2, Parcel 7-I, Parcel 8-A, Parcel 8-B, and Parcel 15A; **AND** Willmar Municipal Airport Right-Of-Way Plat No. 1-2 listing Parcel 12-A, and Parcel 14-F1.

\*\* Note- this tract must follow FAA and MNDOT Aeronautics guidelines for distance of plantings from equipment and runway/taxiway, the map shall be followed and plantings in the incorrect areas shall be asked to be removed at the farmer's cost.

R.O.W FIVE

Land located in Section 11, Township 119N, Range 36W, which contains 6.08 acres of which 6 acres, more or less, that are tillable, described as follows:

Willmar Municipal Airport Right-Of-Way Plat No. 1-2 listing Parcel 25-A.

\*\* Note- this tract has no public access