

Memo

To: Prospective Bidders to rent MCC farm
From: Robin Lilienthal, Ph.D.
Date: January 6, 2017
Re: Bidding Process

The following information is for individuals interested in renting the MCC farm described as the plot of land identified as Field No. 2 of Farm No. 5819, as designated by the Farm Service Administration, containing approximately 100.3 tillable acres, more or less, and excluding from said Lease that area constituting the Landlord's cross-country track or trail.

Marshalltown Community College of Iowa Valley Community College District will be taking sealed bids for cash rent on land located in Marshalltown, Iowa. This two-year lease will run from March 1, 2017 to February 28, 2019. One-half of the cash rent is due and payable on March 1, with the balance due on November 1 of each crop year.

Sealed, written bids must be submitted to Barbara E. Jennings, IVCCD Board Secretary, 3702 S. Center Street, Marshalltown, IA by 2:30 p.m. Monday, January 30, 2017. All bidders will be contacted by email to notify them of the results of the bid within seven (7) days of bid closing. IVCCD reserves the right to refuse any and all bids. The successful bidder will be required to sign the written farm lease contained in the bid packet.

Prospective bidders may pick up information regarding the farm land at the Marshalltown Community College Provost's Office at 3700 S. Center Street, Marshalltown, IA or the bid packet is available on the Iowa Valley Community College Public Notices website <https://www.iavalley.edu/about-the-district/public-notices/>. For more information, please call MCC Provost, Dr. Robin Lilienthal 641-844-5730 or email Robin.Lilienthal@iavalley.edu.

Bid Packet Contents:
Farm Lease
Notice to Bidders
Bid Form
Farm Map

**MARSHALLTOWN COMMUNITY COLLEGE OF
IOWA VALLEY COMMUNITY COLLEGE DISTRICT
FARM LAND FOR RENT**

Marshalltown Community College of Iowa Valley Community College District will be taking sealed bids for cash rent on land located in Marshalltown, Iowa described as the plot of land identified as Field No. 2 of Farm No. 5819, as designated by the Farm Service Administration, containing approximately 100.3 tillable acres, more or less, and excluding from said Lease that area constituting the Landlord's cross-country track or trail. Bidders may submit sealed written bids due to Barbara E. Jennings, IVCCD Board Secretary, 3702 S. Center Street, Marshalltown, IA by 2:30 p.m. Monday, January 30, 2017. Only sealed, written bids will be accepted. Iowa Valley Community College District reserves the right to refuse any and all bids. Prospective bidders may pick up information regarding the farm land at the Marshalltown Community College Provost's Office or the bid packet is available on the Iowa Valley Community College Public Notices website <https://www.iavalley.edu/about-the-district/public-notices/>. For more information, please call Robin Lilienthal, MCC Provost 641-844-5730 or email Robin.Lilienthal@iavalley.edu.

MARSHALLTOWN COMMUNITY COLLEGE
OF IOWA VALLEY COMMUNITY COLLEGE DISTRICT
BID FORM

DUE: no later than 2:30 p.m. on January 30, 2017

FARM BIDS: Iowa Valley Community College District will accept bids on the MCC farm described as the plot of land identified as Field No. 2 of Farm No. 5819, as designated by the Farm Service Administration, containing approximately 100.3 tillable acres, more or less, and excluding from said Lease that area constituting the Landlord's cross-country track or trail.

Bid Amount \$ _____/acre X 100.3acres for total annual cash rent \$ _____.

Printed Name of Bidder _____

Address _____

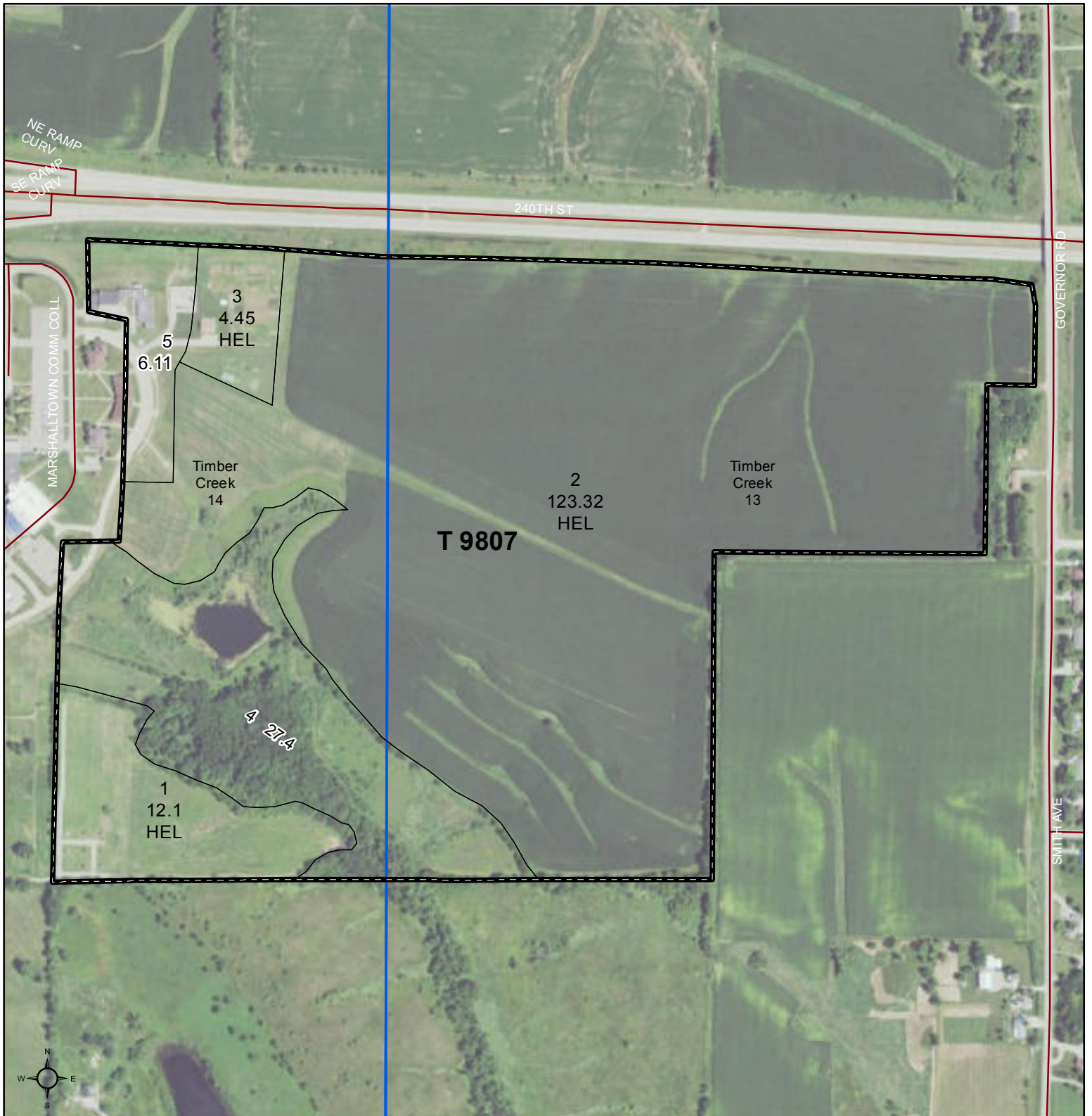
Phone _____

Email _____

Signature of Bidder _____

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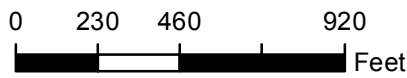


Common Land Unit

- Tract Boundary
- PLSS
- Non-Cropland
- Cropland

Wetland Determination Identifiers

- Restricted Use
- ▼ Limited Restrictions
- Exempt from Conservation Compliance Provisions



2015 Ortho Imagery

2017 Program Year
Map Created December 20, 2016

Farm **5819**
Tract **9807**

Tract Cropland Total: 139.87 acres

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).

FARM LEASE

THIS LEASE ("Lease") is made between Iowa Valley Community College District ("Landlord"), whose address for the purpose of this Lease is 3700 South Center Street, Marshalltown, Iowa 50158 and [insert name] ("Tenant"), whose address for the purpose of this Lease is [insert address].

THE PARTIES AGREE AS FOLLOWS:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in Marshall County, Iowa (the "Real Estate"):

The plot of land identified as Field No. 2 of Farm No. 5819, as designated by the Farm Service Administration, containing approximately 100.3 tillable acres, more or less, and excluding from said Lease that area constituting the Landlord's cross-country track or trail,

with possession by Tenant for a term of two years to commence on March 1, 2017, and end on February 28, 2018. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, Tenant may terminate this Lease by giving the Landlord notice in writing.

2. **RENT.** Tenant shall pay to Landlord as rent for the Real Estate (the "Rent"):

Total annual cash rent:

Total annual cash rent of \$ /year payable, unless otherwise agreed as follows: \$one-half on the 1st day of March of each lease year and \$second-half on the 1st day of November each lease year.

All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct in writing. Rent must be in Landlord's possession on or before the due date.

Participation of this farm in any offered program by the U.S. Department of Agriculture or any state for crop production control or soil conservation, the observance of the terms and conditions of this program, and the division of farm program payments, requires Landlord's consent. Payments from participation in these programs shall be divided 0% Landlord, 100% Tenant. Governmental cost-sharing payments for permanent soil conservation structures shall be divided 0% Landlord, 100% Tenant. Crop disaster payments shall be divided 0% Landlord, 100% Tenant.

3. **LANDLORD'S LIEN AND SECURITY INTEREST.** As security for all sums due or which will become due from Tenant to Landlord, Tenant hereby grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in all crops produced on the premises and the proceeds and products thereof, all contract rights concerning such crops, proceeds and/or products, all proceeds of insurance collected on account of destruction of such crops, all contract rights and U.S. government and/or state agricultural farm program payments in connection with the above described premises whether such contract rights be payable in cash or in kind, including the proceeds from such rights, and any and all other personal property kept or used on the real estate that is not exempt from execution. Tenant shall also sign any additional forms required to validate the security interest in government program payments.

Tenant shall pay the full rent for the crop year in which the crop is produced, whether due or not, at the time of sale pursuant to Landlord's consent to release Landlord's security interests. Upon payment in full Landlord shall release Landlord's lien on the crop produced in that crop year on the premises. The parties agree that by the Landlord releasing the lien as to the crop in one year, the Landlord in no way releases the lien or agrees to release the lien in any prior or subsequent year.

Landlord is further granted the power, coupled with an interest, to sign on behalf of Tenant as attorney-in-fact and to file one or more financing statements under the Iowa Uniform Commercial Code naming Tenant as Debtor and Landlord as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

4. **INPUT COSTS AND EXPENSES.** Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be directed by Landlord. Tenant shall only be entitled to pasture or till those portions of the Real Estate designated by Landlord. All necessary machinery and equipment, as well as labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Tenant. Lime shall be allocated over three (3) years. If this Lease is not renewed, and Tenant does not therefore receive the full allocated benefits, Tenant shall be reimbursed by Landlord to the extent Tenant has not received the benefits.

5. **PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall farm the Real Estate in a manner consistent with good husbandry, seek to obtain the best crop production that the soil and crop season will permit, properly care for all growing crops in a manner consistent with good husbandry, and harvest all crops on a timely basis. In the event Tenant fails to do so, Landlord reserves the right, personally or by designated agents, to enter upon the Real Estate and properly care for and harvest all growing crops, charging the cost of the care and harvest to the Tenant, as part of the Rent. Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the premises. Tenant shall comply with all terms of the conservation plan and any other required environmental plans for the leased premises. Tenant shall do what is reasonably necessary to control soil erosion including, but not limited to, the maintenance of existing watercourses, waterways, ditches, drainage areas, terraces and tile drains, and abstain from any practice which will cause damage to the Real Estate.

Upon request from the Landlord, Tenant shall by August 15 of each lease year provide to the Landlord a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quantity of such items applied on the lease premises during such year.

Tenant shall distribute upon the poorest tillable soil on the Real Estate, unless directed otherwise by Landlord, all of the manure and compost from the farming operation suitable to be used. Tenant shall not remove from the Real Estate, nor burn, any straw, stalks, stubble, or similar plant materials, all of which are recognized as the property of Landlord. Tenant may use these materials, however, upon the Real Estate for the farming operations. Tenant shall protect all trees, vines and shrubbery upon the Real Estate from injury by Tenant's cropping operation or livestock.

Tenant shall maintain accurate yield records for the real estate, and upon request, during or after lease term, shall disclose to Landlord, all yield base information required for participation in government program.

6. **ENVIRONMENTAL.**

a. Landlord. To the best of Landlord's knowledge to date:

- i) Neither Landlord nor, Landlord's former or present tenants, are subject to any investigation concerning the premises by any governmental authority under any applicable federal, state, or local codes, rules, and regulations pertaining to air and water quality, the handling, transportation, storage, treatment, usage, or disposal of toxic or hazardous substances, air emissions, other environmental matters, and all zoning and other land use matters.
- ii) Any handling, transportation, storage, treatment, or use of toxic or hazardous substances that has occurred on the premises has been in compliance with all applicable federal, state, and local codes, rules, and regulations.
- iii) No leak, spill release, discharge, emission, or disposal of toxic or hazardous substances has occurred on the premises.
- iv) The soil, groundwater, and soil vapor on or under the premises is free of toxic or hazardous substances except for chemicals (including without limitation fertilizer, herbicides, insecticides) applied in conformance with good farming methods, applicable rules and regulations and the label directions of each chemical.

Landlord shall hold Tenant harmless against liability for removing solid waste disposal sites existing at the execution of this Lease, with the exception that Tenant shall be liable for removal of solid waste disposal sites to the extent that the Tenant created or contributed to the solid waste disposal site at any time.

Landlord shall assume liability and shall indemnify and hold Tenant harmless against any liability or expense arising from any condition which existed, whether known or unknown, at the time of execution of the lease which is not a result of actions of the Tenant or which arises after date of execution but which is not a result of actions of the Tenant.

Landlord shall disclose in writing to Tenant the existence of any known wells, underground storage tanks, hazardous waste sites, and solid waste disposal sites. Disclosure may be provided by a properly completed groundwater hazard statement to be supplemented if changes occur.

b. Tenant. Tenant shall comply with all applicable environmental laws concerning application, storage and handling of chemicals (including, without limitation, herbicides and insecticides) and fertilizers. Tenant shall apply any chemicals used for weed or insect control at levels not to exceed the manufacturer's recommendation for the soil types involved. Farm chemicals may not be stored on the premises for more than one year. Farm chemicals for use on other properties may not be stored on this property. Chemicals stored on the premises shall be stored in clearly marked, tightly closed containers. No chemicals or chemical containers will be disposed of on the premises. Application of chemicals for agricultural purposes per manufacturer's recommendation shall not be construed to constitute disposal.

Tenant shall employ all means appropriate to insure that well or ground water contamination does not occur, and shall be responsible to follow all applicator's licensing requirements. Tenant shall install and maintain safety check valves for injection of any chemicals and/or fertilizers into an irrigation system (injection valve only, not main well check valve).

Tenant shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air. Tenant shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. Tenant shall not dispose of waste oil, tires, batteries, paint, other chemicals or containers anywhere on the premises. Solid waste may not be disposed of on the premises. Dead livestock may not be buried on the premises. If disposal of solid waste or burial of dead animals is permitted as stated in the previous two sentences, the disposal or burial shall be in compliance with all applicable environmental laws. Tenant shall not use waste oil as a means to suppress

dust on any roads on or near the premises. No underground storage tanks, except human waste septic systems that meet current codes, rules, and regulations, shall be maintained on the premises.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on premises. Tenant shall assume liability and shall indemnify and hold Landlord harmless for any claim or violation of standards which results from Tenant's use of the premises. Tenant shall assume defense of all claims, except claims resulting from Landlord's negligence, in which case each party shall be responsible for that party's defense of any claim. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

7. **TERMINATION OF LEASE.** This Lease shall automatically renew upon expiration from year-to-year, upon the same terms and conditions unless either party gives due and timely written notice to the other of an election not to renew this Lease. If renewed, the tenancy shall terminate on March 1 of the year following, provided that the tenancy shall not continue because of an absence of notice in the event there is a default in the performance of this Lease. All notices of termination of this Lease shall be as provided by law.

8. **POSSESSION AND CONDITION AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Landlord. If Tenant fails to do so Tenant agrees to pay Landlord \$1000.00 per day, as liquidated damages until possession is delivered to Landlord. At the time of delivery of the Real Estate to Landlord, Tenant shall assure that the Real Estate is in good order and condition, and substantially the same as it was when received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

9. **LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord may enter upon the Real Estate or authorize someone else to enter upon the Real Estate to conduct any normal tillage or fertilizer operation after Tenant has completed the harvesting of crops even if this is prior to the date of termination of the lease. Landlord may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding or making repairs, or for other reasonable purposes.

10. **VIOLATION OF TERMS OF LEASE.** If Tenant or Landlord violates the terms of this Lease, the other may pursue the legal and equitable remedies to which each is entitled. Tenant's failure to pay any Rent when due shall cause all unpaid rent to become immediately due and payable, without any notice to or demand upon Tenant.

11. **REPAIRS.** Tenant shall maintain the fences on the leased premises in good and proper repair. Landlord shall furnish necessary materials for repairs that Landlord deems necessary within a reasonable time after being notified of the need for repairs. Tenant shall haul the materials to the repair site without charge to Landlord.

12. **NEW IMPROVEMENTS.** All buildings, fences and improvements of every kind and nature that may be erected or established upon the Real Estate during the term of the Lease by the Tenant shall constitute additional rent and shall inure to the Real Estate, becoming the property of Landlord unless the Landlord has agreed in writing prior to the erection that the Tenant may remove the improvement at the end of the lease.

13. **WELL, WINDMILL, WATER AND SEPTIC SYSTEMS.** Tenant shall maintain all well, windmill, water and septic systems on the Real Estate in good repair at Tenant's expense except damage caused by windstorm or weather. Tenant shall not be responsible for replacement or installation of well,

windmill, water and septic systems on the Real Estate, beyond ordinary maintenance expenses. Landlord does not guarantee continuous or adequate supplies of water for the premises.

14. **EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.

15. **NO AGENCY.** Tenant is not an agent of the Landlord.

16. **ATTORNEY FEES AND COURT COSTS.** If either party files suit to enforce any of the terms of this Lease, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees.

17. **CHANGE IN LEASE TERMS.** The conduct of either party, by act or omission, shall not be construed as a material alteration of this Lease until such provision is reduced to writing and executed by both parties as addendum to this Lease.

18. **CONSTRUCTION.** Words and phrases herein, including the acknowledgment, are construed as in the singular or plural and as the appropriate gender, according to the context.

19. **NOTICES.** The notices contemplated in this Lease shall be made in writing and shall either be delivered in person, or be mailed in the U.S. mail, certified mail to the recipient's last known mailing address, except for the notice of termination set forth in Section 7, which shall be governed by the Code of Iowa.

20. **ASSIGNMENT.** Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Landlord.

21. **CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

22. **ADDITIONAL PROVISIONS.** Landlord reserves the right at any time to reduce the number of acres comprising the leased Real Estate when Landlord deems such reduction necessary to carry out Landlord's educational programs and mission. Such reduction shall provide reasonable compensation to tenant for cost of inputs pertaining to the deleted acres and labor associated with their application only.

23. **DELINQUENT RENT.** Rent not paid on time shall bear interest at the rate of eight percent (8%) per annum until paid in full.

24. **INSURANCE.** Tenant shall carry the following types and minimum coverages of insurance:
a. Workers Compensation (if applicable).
b. Comprehensive General Liability with limits of not less than \$1.0 million.

- c. Automobile Liability Insurance on all owned, non-owned, hired or leased automotive equipment used in conjunction with Tenant's operations in amounts not less than \$1.0 million for bodily injury and \$100,000 property damage.

Both Landlord and Tenant hereby release the other from claims for recovery for any loss or damage to any property owned by either party which is insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance. It is further agreed that this waiver shall apply only when permitted by the applicable policy of insurance.

25. STORAGE OF EQUIPMENT. Tenant may temporarily store on the Real Estate Tenant's equipment related to the operation of the farm during such time as the equipment is required for use in the farm operation. Such equipment shall be removed from the Real Estate within thirty (30) days after it is no longer being used in the farm operation. Landlord and Tenant agree that this provision shall have no application to any of the predecessor tenant's equipment left on the leased premises.

26. USE OF ADJACENT LAND. A portion of Landlord's cross-country track is situated on land adjacent to the leased premises. In order to minimize any interference with Tenant's farming operation or Landlord's cross-country track program, the parties agree to communicate with one another and to cooperate fully with regard to the scheduling of cross-country practices and meets and any other similar activities conducted on such adjacent land that might impact upon the leased premises.

DATED: _____

TENANT

[Name]

By _____
[Name]

LANDLORD

Iowa Valley Community College District

By _____
Yvonne Mallory, President

By _____
Barbara E. Jennings, Secretary

STATE OF IOWA

COUNTY OF MARSHALL

This instrument was acknowledged before me on _____, 2017, by [Name].

, Notary Public

STATE OF IOWA

COUNTY OF MARSHALL

This instrument was acknowledged before me on _____, 2017, by Yvonne Mallory, as President of the Board of Iowa Valley Community College District.

, Notary Public