RESOLUTION 11-96 Passed November 28, 2011

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS TO SIGN A THREE YEAR FARM LEASE AGREEMENT WITH OLD ELM FARMS FOR 358 ACRES OF LAND AND RENTAL OF TWO GRAIN BINS ON AND ADJACENT TO DEKALB TAYLOR MUNICIPAL AIRPORT.

BE IT RESOLVED BY THE CITY COUNCIL of the City of DeKalb, Illinois as follows:

Section 1. That the Mayor of the City of DeKalb, Illinois is authorized and directed to execute a three (3) year farm lease agreement with Old Elm Farms, for 358 acres of land and two (2) grain bins with a total capacity of 30,000 bushels on and adjacent to the DeKalb Taylor Municipal Airport for the period of March 1, 2012 through February 28, 2015, a copy of which is attached hereto and made part thereof as Exhibit “A”.

Section 2. That the City Clerk of the City of DeKalb is authorized and directed to attest the Mayor’s signature.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a regular meeting thereof held on the 28th day of November, 2011 and approved by me as Mayor on the same day. Adopted by roll call vote: 7-0. Aye: Jacobson, Teresinski, Lash, Gallagher, Naylor, Baker, O’ Leary. Nay: None.

ATTEST:

[Signature]
STEVE KAPITAN, City Clerk

[Signature]
KRIS POVLSEN, Mayor
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

CASH FARM LEASE

This lease is entered into the 1 day of March, 2012, between City of DeKalb, an Illinois Municipal Corporation, Landlord, and OLD ELM FARMS, Tenant.

The Landlord, in consideration of the agreements set forth in this lease to be kept and performed by the Tenant, rents and leases to the Tenant, to occupy and to use for agricultural purposes only, the following real estate located in the County of DeKalb and State of Illinois, described as follows (hereinafter referred to as the "Property"):  


The term of this lease shall be from the 1st day of March, 2012 to the 15th day of February, 2015 or earlier if final harvesting has occurred.

The terms of this lease shall be binding on the heirs, executors, administrators, and assigns of both Landlord and Tenant in like manner as upon the original parties, except by mutual agreement otherwise.

SECTION 1. AMOUNT OF RENT AND TIME OF PAYMENT.

The Tenant agrees to pay the Landlord as annual cash rent for the above-described Property the sum of $ refer to page 19, which shall be paid on the 15th day of March.

This represents approximately 358 acres @ $ refer to page 19 per acre.

The Tenant agrees to pay the Landlord annual cash rent the Sum of $ refer to page 19 for two (2) grain bins located at 3331 Pleasant Street, DeKalb Illinois. Grain Bins have a total capacity of 30,000 bushels. Tenant agrees to maintain to operational standards said grain bins while in their use during this contract.

SECTION 2. LANDLORD’S INVESTMENT AND EXPENSE.

The Landlord agrees to allow Tenant the quiet enjoyment of the Property so long as Tenant complies with all of Tenant’s obligations of this Lease.

SECTION 3: TENANT’S INVESTMENT AND EXPENSES.

The Tenant agrees to furnish the Property and to pay the items of expenses described below:
A. All machinery, equipment, fuel and labor necessary to operate the Property.

B. All *ad valorem* property taxes or assessments of any nature on the Property.

C. All operating expenses or the portion of expenses not furnished or paid by the Landlord as provided in this lease.

D. **Insurance.** Tenant covenants and agrees prior to any use or occupancy of the Property and at Tenant's sole cost and expense to maintain in full force and effect at all times during the term of this lease, workmen's compensation insurance with statutory limits of coverage and general liability insurance naming Landlord as an additional insured with waiver of subrogation and with limits not less than One Million ($1,000,000) for personal injury, including bodily injury and death, property damage, and with coverage for pollution, crop spraying, overspray and drift. Tenant shall provide Landlord with a copy of the declaration pages of all such insurance policies. Such insurance policies shall be issued by an insurance company approved by Landlord and in a form acceptable to Landlord and shall be subject to modification or cancellation only upon written notice delivered by certified mail to Landlord not less than thirty (30) days in advance of any such proposed modification or cancellation.

**SECTION 4. TENANT'S DUTIES IN OPERATING PROPERTY.**

In addition to the agreements covered by the foregoing provisions of this lease, the Tenant further agrees that he will perform and carry out the stipulations represented in the following clauses:

A. To faithfully cultivate the Property in a timely, thorough and businesslike manner.

B. Not assign this lease to any person or persons or sublet any part of the Property without the written consent of the Landlord.

C. To take proper care of all trees, vines and shrubs, and to prevent injury to the same.

D. Not to cut live trees except by permission of the Landlord.

E. Not to allow noxious weeds to go to seed on said Property, but to destroy the same and to cut and maintain the sprouts, brush, weeds and grass up to the roads adjoining the land as often as needed each year.

F. Not to burn cornstalks, straw, or other crop residues grown upon the Property except by permission of the Landlord, but to leave or spread all such material upon the land, and in no case to remove from the Property any such material without the consent of the Landlord.

G. To investigate and repair any broken tile and keep outlets open. Tenant shall not operate tillage equipment through grass waterways, or other low places that will permit open ditches eroding across fields.
H. To prevent all unnecessary waste, or loss, or damage to the Property of the Landlord.

I. The Tenant agrees to plow in any post-harvest crop residue on or before November 15th of each year of this lease. Tenant also agrees to follow such crop rotation, tillage practices, fertilizer programs, conservation measures and arrangements as are instructed by Landlord.

J. To keep the Property neat and orderly.

K. The buildings, fences and other improvements on the Property are to be kept in as good repair and condition as they are at the beginning of the lease, or in as good repair and condition as they may be put in by the Landlord during the term of the lease, ordinary wear and depreciation excepted.

L. To preserve established watercourses or ditches, and refrain from any operation that will injure them.

M. To haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements.

N. Follow the farming practices that are generally recommended for and that are best adapted to this type of Property and for this locality unless other practices are agreed upon.

SECTION 5. MANAGEMENT AND BUSINESS PROCEDURES.

The Landlord and Tenant agree that they will observe the following provisions:

A. Except when mutually decided otherwise, the land use and cropping system shall be approximately as follows: All tillable cropland as hereby rented to Tenant.

B. The fertilizer and limestone program shall be nitrogen, phosphorus and potash applied annually to produce corn or soybeans and maintain the fertility of the soil, for which the Tenant shall provide records and receipts of all applications, to the Landlord or his Agent, if requested. Soil testing and ag lime costs are all Tenant's expense.

SECTION 6. DEFAULT, COMPENSATION FOR DAMAGE, METHOD OF SETTLEMENT, RIGHT OF ENTRY.

A. Tenant is not to erect or permit to be erected upon said Property, any structure, building, fence or sign of any kind whatsoever, except by the written consent of the Landlord, nor to purchase any materials or incur any expenses for the account of the Landlord without its approval and will not make a claim for labor at any time unless Landlord has given written permission at a previous date.
B. Nothing in this lease shall confer upon the Tenant any right to minerals underlying said land or any part thereof, but the same are hereby expressly reserved by the Landlord together with the full right and liberty to them, to enter upon the Property and to bore, search and excavate for same, to work and remove the same, and to deposit excavated rubbish, and with full liberty to pass over said Property with vehicles and lay down and work any such railroad track or tracks, tanks, pipe lines, powers and structures as may be necessary or convenient for the above purpose. Said Landlord, however, agrees to deduct from the annual rent, pro-rata, for the land so taken by him or his assigns for said uses when the rental of such land is cash, and to reimburse the said Tenant for any actual damage he may suffer for crops destroyed where such land is on grain rent and to release Tenant from obligation to continue farming this Property when development of resources interferes materially with Tenant's ability to make a satisfactory return.

C. Landlord shall in no way be liable in damages for failure of water supply or for any damage by the elements or otherwise, to any of the improvements, nor for any loss or damage while improvements are under construction or repair, nor for any failure to repair or alter or replace any buildings or improvement.

D. Tenant takes possession of the Property subject to the hazards of operating a farm and assumes all risk of accidents to himself, his family, employees, agents, representatives, contractors or assigns in pursuance of his farming operations, or in performing repairs to the buildings, fences and other improvements, or accidents and injuries arising out of the use of farm equipment and machines.

E. **Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord and its employees, agents, representatives, contractors and assigns from any and all claims, liens, penalties, demands, actions, proceedings, liabilities or losses of any nature whatsoever (including attorneys' fees and expenses and court costs) arising out of or relating to the acts or omissions of Tenant, or its employees, agents, representatives, contractors or assigns, in exercising any of Tenant's rights hereunder or from use or occupancy of the Property in any manner whatsoever by the Tenant, or its employees, agents, representatives, contractors or assigns, except to the extent solely due and proximately caused by Landlord's gross negligence or willful and wanton acts.

F. **Liability for Damage to Property or Persons.** Landlord shall not be liable to Tenant for any injury or death to any person or persons, or for any damage to Tenant's business or to the property, machines, fixtures, and equipment of Tenant, or any person claiming through or under Tenant, arising out of any accident or occurrence in, upon or near the Property unless such injury, death or damage is solely due to and proximately caused by Landlord's gross negligence or willful and wanton acts. All property of Tenant shall be kept or stored at the Property at the risk of Tenant, and Tenant shall defend and hold Landlord harmless from claims arising out of damage to same, including subrogation claims by Tenant's insurance carrier, unless such damage shall be solely due and proximately caused by the willful act or gross neglect of Landlord. Landlord shall not be responsible for injury or damage to any persons or property of Tenant or of others caused by or resulting from bursting, breakage or leakage of pipes, from steam, snow or ice, from running, backing up, seepage or overflow of water or sewage in or near the Property.
or resulting from acts of God or the elements or from any defect or negligence in the occupancy, construction, operation or use of the Property including any building improvements, structural elements, mechanical systems and other machinery and equipment.

Landlord shall not be liable for any injury or damage to persons or property or to any building, structure or improvements on the Property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any building, structure or improvements on the Property or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature; Landlord shall not be liable for any such injury or damage caused by other tenants or by occupants of the Property or property adjacent thereto or by the public, or by operations in the construction of any private, public, or quasi-public work. Landlord shall not be liable for any latent defect in construction or renovations to the Property or to any building, structure or improvements located on the Property.

G. **Right of Entry.** The Landlord or his Agent shall be entitled to free access to the Property at all times and may make any repairs and improvements thereon. If this lease is terminated, the Landlord or his Agent shall be entitled to fell till, fertilize or otherwise prepare the ground and plant in proper season for the following year's crops.

H. If the Tenant shall, from any cause, fail to comply with any of Tenant's obligations herein, the Landlord may at any time when such failure occurs after giving five days' written notice of its intention to do so: (1) terminate this lease; or (2) terminate Tenant's right to possession under this lease and take possession of said Property and buildings thereon which the Tenant agrees to surrender without said possession terminating this lease and Tenant's obligation to pay rent hereunder, and employ other persons to tend said crop and perform all the agreements of the Tenant as herein contained as fully as the same are contemplated in this agreement and after deducting all monies advanced, or monies or crops due for the rent and the expense of attending such crop as aforesaid, to pay the residue, if any, to the Tenant. If the Tenant shall fail to pay the cash rent, or shall fail to keep any of the agreements of this lease, all costs and attorney's fees of the Landlord in enforcing collection or performance, shall be added to and become a part of the obligations payable by the Tenant hereunder.

I. **Yielding Possession.** The Tenant agrees that at the expiration of the term of this lease, he will yield up possession of the Property to the Landlord without further demand or notice, in as good order and condition as when same were entered upon by the Tenant, loss by fire or tornado, and ordinary wear excepted. The Tenant shall pay to the Landlord a reasonable compensation for any damage to the Property above the aforementioned exceptions.

J. The Tenant shall be responsible for all employer obligations on hired labor with respect to safety requirements, social security and workers compensation contributions, and the Landlord shall have no responsibilities therefore.
SECTION 7. ENVIRONMENTAL CONCERNS.

A. The Tenant is to use prudence and care in transporting, storing, handling and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances, and to read and follow instructions on the labels for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas.

B. Any chemicals for weed or insect control or other use, when used, should be applied at levels not to exceed the manufacturer's recommendation for the soil types involved. The Tenant agrees to provide the Landlord annually, a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the Property.

C. No chemicals will be stored on the Property. When chemicals or petroleum products are on the Property, they will be only those planned to be used on the Property, and they will be in closed, tight containers above ground and clearly marked. No chemicals or chemical containers will be disposed of on the Property.

D. Both Landlord and Tenant affirm the goals of minimizing soil erosion losses and preserving the productivity of the land in ways that are consonant with their needs and desires for acceptable current returns to their individual inputs on the Property.

E. Environmental Indemnity.

(a) Tenant hereby agrees to defend, protect, indemnify and hold harmless Landlord, Landlord's affiliates, directors, officers, agents and employees, and Landlord's participants, successors and assigns (hereinafter, collectively the "Indemnified Parties"), from and against, and shall reimburse the Indemnified Parties for, any and all actual out-of-pocket costs (including, without limitation, attorneys' fees, consultants' fees, laboratory costs, expenses and court costs), expense or loss arising from any claim, liability, demands, damage, injunctive relief, claims of lien, liens, settlements, legal and administrative proceedings, injury to person, property or natural resources, fine, penalty, action, cause of action and obligations and liabilities of any kind or nature whatsoever (collectively, "Costs and Liabilities"), incurred by or asserted against any Indemnified Party and arising directly or indirectly, in whole or in part, out of the release, discharge, deposit or presence, or alleged or suspected release, discharge, deposit or presence of any Hazardous Materials at, on, within, under, about or from the Property, or in or adjacent to any part of the Property, or in the soil, groundwater or soil vapor on or under the Property, or elsewhere in connection with the transportation of Hazardous Materials to or from the Property in violation of any Hazardous Materials Laws, whether or not known to Tenant or Indemnified Parties, whether foreseeable or unforeseeable, regardless of the source of such release, discharge, deposit or presence, regardless of when such release, discharge, deposit or presence occurred or is discovered. Without limiting the generality of the foregoing indemnity, such Costs and Liabilities shall include, without limitation, all actual out-of-pocket costs incurred by Indemnified Parties in connection with
(i) determining whether the Property is in compliance or the amount of money required to remediate any environmental contamination, and causing the Property to be or become in compliance, with all applicable Hazardous Materials Laws, (ii) any investigation, clean up, removal or remediation of any kind and disposal of any Hazardous Materials present in the soil, groundwater, or at, on, under or within the Property, released from the Property, or which migrate, flow, or percolate onto, under or within any facility or property with respect to which Tenant or Landlord otherwise would have any liability or are otherwise present due to the act of a third party, to the extent required by applicable Hazardous Materials Laws in effect at the time of such investigation, clean up, removal, remediation or disposal, and (iii) repair of any damage to the Property or any other property caused by any investigation, clean up, removal, remediation or disposal.

(b) Upon demand by any Indemnified Party, Tenant shall defend any investigation, action or proceeding in connection with any claim or liability, or alleged claim or liability, that would, if determined adversely to such Indemnified Party, be covered by the foregoing indemnification provisions, such defense to be at Tenant's sole cost and expense and by counsel chosen by such Indemnified Party, which counsel may, without limiting the rights of an Indemnified Party pursuant to the next succeeding sentence of this Section 5(b), also represent Tenant in such investigation, action or proceeding.

(c) As used herein, the term "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et seq.), and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now or hereafter amended (15 U.S.C. Section 2601, et seq.); and any "toxic pollutant" under the Clean Water Act, as now or hereafter amended (33 U.S.C. Section 1251, et seq.); and any hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901, et seq.). The term "Hazardous Materials Laws" means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter
enacted or promulgated (collectively, and including, without limitation, any such
laws which require notice of the use, presence, storage, generation, disposal or
release of any Hazardous Materials to be provided to any party).

(d) This Environmental Indemnity provision shall survive the termination of this
Lease.

SECTION 8. ADDITIONAL AGREEMENTS.

A. Tenant shall attend a mandatory safety and security meeting provided by Landlord prior
to operating on the Property.

B. Dumping fill, spreading septic, sewage material, sludge or sludge lime, waste treatment,
on or non-agricultural material is prohibited.

C. No hunting rights or privileges are granted for the Property and Tenant shall not allow
any hunting to take place thereon.

D. Tenant will timely certify the acreages planted of each crop at the Farm Service office..

E. Landlord may, from time to time, remove some portion of the Property from Tenant’s use
under this lease, without penalty to Landlord except for the payment of crop damage as
detailed below. In the event of the Landlord selling, changing the land use, altering the
Property or otherwise removing a portion of the Property from the use of Tenant, the
Tenant will be given notice to remove the growing crop, if possible. Additional land may
be excluded from this lease by Landlord before planting a new crop. Any annual rent
collected to date then to be refunded to Tenant. The Landlord will compensate the
Tenant for crop damage during the growing season resulting from borings or other
activities before planting, amount not to exceed the per acre bid price; after the crop is
planted, not to exceed $400.00 per acre; after July 15th until harvest season, not to exceed
$475.00 per acre with Landlord keeping the rent in all cases.

F. The failure of Landlord on one or more occasions to enforce any one of the provisions of
this Lease Agreement or to exercise any right, remedy or privilege hereunder shall not be
construed as a waiver of any subsequent breach or default of a similar nature or as a
waiver of any such provision, right, remedy or privilege.

G. This Lease Agreement and its interpretation and application shall be governed by the
internal laws of the State of Illinois without giving effect to conflicts of laws principles.
Venue for any action concerning the enforcement of this Lease Agreement shall be
proper only in the Sixteenth Judicial Circuit Court, DeKalb County, Illinois.
IN WITNESS WHEREOF, we affix our signatures this, the day and year first written above.

City of DeKalb,
an Illinois Municipal Corporation

By: ________________________
   MAYOR KRIS POUlsen
   Its:

Tenant

[Signature]

PERSONAL GUARANTY

Tenant’s performance of all of the foregoing obligations of the Lease are hereby unconditionally guaranteed by the person whose signature appears below. Said Guarantor waives presentment, dishonor and understands that Landlord has no obligation to pursue Tenant to enforce any provisions of this Lease prior to enforcing same against Guarantor. Tenant and Guarantor acknowledge that Landlord would not enter into this Lease without Guarantor executing and guaranteeing Tenant’s obligations herein.

Guarantor

[Signature]
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

BID FORM

(PLEASE TYPE OR PRINT THE FOLLOWING INFORMATION)

Full Name of Bidder       OLD ELM FARMS

Main Business Address     17443 OLD STATE RD.

City, State, Zip Code     SYCAMORE IL 60178

Telephone Number          815-739-6965

Fax Number                815-944-8314

Contact Person            Stephen Ward
                          (Name of person to contact regarding bid)

To: The City of DeKalb

The undersigned, as Contractor, declares that he/she has fully examined the proposed form of Bid and Specifications for the above designated project, all of which are attached hereto and on file in the Administrative Office of the Department of Public Works, City of DeKalb, ("City"), 223 S. 4th Street, Suite A, DeKalb, Illinois 60115, and all other documents referred to or mentioned in the Bid Documents, including Addenda No. ___, ___, and ____ issued thereto;

Further, he/she proposes and agrees if this bid proposal is accepted by the City, to execute and fully perform the work required under this Document.
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

BID FORM AFFIDAVIT / CERTIFICATION

State of __ILLINOIS__

County of __DEKALB__

The undersigned being duly sworn, certifies that he/she is (complete one of the following):

a. Sole Proprietor of ____________________________
   (Name of firm)

b. A Partner of the Partnership d/b/a __OLD ELM FARMS__
   (Name of Partnership)

c. An Officer of ____________________________
   (Name of Corporation)

d. The Manager of ____________________________
   (Name of Limited Liability Company)

Hereinafter called the Bidder and that; if Bidder is an entity described above, the following
names and titles are true and correct as of the date hereof:

______________________________  ________________
(President or Partner or Member)  (Vice President or Partner or Member)

__________________________________  ________________
(Secretary or Partner or Member)  (Treasurer or Partner or Member)

The undersigned certifies and warrants that he/she is duly authorized to execute this
certification/affidavit on behalf of the Bidder and in accordance with the organizational
documents of the Bidder and the laws of the State of Illinois and that this certification is binding
upon the Bidder and is true and accurate. Further the undersigned certifies that the Bidder is not
barred from bidding on this project as a result of a violation of either 720 Illinois Compiled
Statutes 5/33 E-3 or 5/33 E-4, bid-rigging or bid-rotating.
The affiant deposes and says that he/she has examined and carefully prepared this Bid proposal from the Contract Documents and that the statements contained herein are true and correct and that this proposal is made without collusion with any other person, firm or corporation.

If a Corporation, the undersigned further certifies that the recitals and resolutions attached hereto and made a part hereof were unanimously adopted by the Board of Directors of the Corporation at a meeting of said Board of Directors duly called and held and have not been repealed, nor modified and that the same remain in full force and effect. *(Attach a copy of the corporate resolution granting the individual executing the contract documents authority to do so.)*

______________________________
Signature and Title

______________________________
CORPORATE SEAL (if available)

______________________________
Business Address

______________________________
City and State

______________________________
Phone

______________________________
Fax

Subscribed and Sworn to before me this _____ day of _______________ AD, 2011.

______________________________ My Commission Expires: _______________
Notary Public
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

BID FORM PRICING

Per Acre Offer $* x 350 Acres = $ Total Acres Offer

Grain Bins Offer $** Annually

*For the Rent Bid:
The greater of (i) $320.00 per acre and (ii) $2.50 per acre more than the highest responsive and responsible bid submitted by all other Bidders whose bids meet the requirements and criterion set forth in the City of DeKalb’s Invitation for Bids for the DeKalb Taylor Municipal Airport, Airport Adjacent Farming Bid, but not to exceed $376.00 per acre times 358 acres, it being my intent to bid $2.50 per acre more than any other qualified bid submitted, however calculated, but not to exceed $376.00 per acre annually times 358 acres.

**For Grain Bin Bid:
The greater of (i) $9,000.00 and (ii) $100.00 more per year than the highest responsive and responsible bid submitted by all other Bidders whose bids meet the requirements and criterion set forth in the City of DeKalb’s Invitation for Bids for the DeKalb Taylor Municipal Airport, Airport Adjacent Farming Bid, but not to exceed $12,000.00 annually for two (2) Grain Bins with a combined 30,000 bushel capacity, it being my intent to bid $100.00 per year more than any other qualified bid submitted, however calculated, but not to exceed $12,000.00 annually.
OLD ELM FARMS
SYCAMORE, IL. 60178

(815)739-6965

STEPHEN WARD & JOHN WARD PARTNERS

Old Elm Farms has been farming the ground for the past 7 years. We have been honored to work with the Dekalb Taylor Airport and the City of Dekalb. Old Elm Farms hopes to continue working the ground and would like these points to be considered when looking at the lease.

- Have worked with the city on leaving crops up to act as snow fences in the area for no charge. After talking to some of the city management that can be worth thousands of dollars each time an emergency call can be prevented.
- Old Elm Farms will not use human sludge from other surrounding towns or cities as a fertilizer source which other farmers use. This source of fertilizer can have ricks involved, which is why we will only use professionally applied commercial fertilizer. This fertilizer will be GPS applied at levels that the crops require.
- Old Elm Farms has also maintained the grain bids over the past several years and has made upgrades at our own expense totaling over $5,000.
- Several times lent the airport a tractor and/or mower when they have asked for help at no charge.
- When asked to do so, have helped remove trees in the fence lines.
- Worked with the airport on working and planting the ground for the Corn Fest parking lot. We also mow and maintain that lot so it is ready for Corn Fest, again with no fee.
- Every few years GPS field sizes to make any corrections to acres that are being farmed due to changes in airport projects and any changes to set back regulations. We also do this for any land added to the airport to get correct tillable acres.
- We have complied with all safety regulations the airport asks of us and stay off all run ways. Have always kept all gates closed unless being used, but always close them at night when done with work.
- Have a good working relationship and communication with airport manager and other employees. This has been important when the airport has done expansion projects and dealing with minimal crop damage.
- Help consult with equipment needs when asked, such as finding dealers to get prices on the 4-wheel drive tractor and bids for a new mower.
- Have also looked into Government assisted programs to help with tiling projects that would be beneficial to the drainage issues at the airport.

Thank you for your consideration

Old Elm Farms

Stephen Ward & John Ward, partners
INVITATION FOR BIDS
Due Date: 2 P.M. CST – November 14, 2011

October 28, 2011

To All Prospective Bidders:

The project on which bids are invited is generally and briefly described herein as SOLICITATION OF A THREE (3) YEAR CASH FARM LEASE FOR APPROXIMATELY 358 ACRES and the Rental Of Two (2) Grain Bins with a combined total capacity of 30,000 bushels, located in DeKalb, Illinois. The project is described specifically and in detail in the Bid Documents attached hereto and made a part hereof.

Minimum Bid $160.00 per acre

Bids will be evaluated based on a combination of the Rent Bid and Grain Bin Bid.

You are invited to submit your bid for this project in accordance with the attached requirements. If you have any questions regarding this project, please contact me at (815) 758-3521.

Sincerely,

[Signature]

Tom Cleveland
Airport Manager

APO24-11
# DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

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DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

INSTRUCTIONS TO BIDDERS

SEALED BID SUBMISSION REQUIREMENTS:

All Bids shall be received in sealed envelopes which have (1) your name and address written in the UPPER left-hand corner and (2) "Sealed Bid: Approximately 358 ACRES FARMING and Grain Bins with a 30,000 bushel capacity" written in the LOWER left-hand corner. Bids are required to be submitted on the Bid Forms attached hereto.

The Bid Form must not be removed from, and must be kept attached to, such other sections of the Bid Documents to which it has been attached. Late proposals will not be considered and will be returned unopened.

Minimum Bid $160.00 per acre

Bids will be evaluated based on a combination of the Rent Bid and the Bin Bid.

All bids are due at 2:00 p.m. C.S.T. on November 14, 2011 and are submitted to:

Airport Manager
City of DeKalb Public Works Department
223 S. 4th Street, Suite A
DeKalb, Illinois 60115

The Director or designee, in the presence of one or more witnesses, shall open bids publicly, at the time and place designated above. The name of each bidder, the bid price(s), and other information as is deemed appropriate by the Director or designee, shall be read aloud or otherwise be made available. The record shall be available for public inspection and distribution. Except for those items identified as proprietary information, trade secrets or other information protected under the Freedom of Information Act, all data regarding any particular bid becomes public information immediately after a decision or award relating to that bid has been made.

CHANGES:

All changes to this Bid document prior to the scheduled Bid opening shall be amended in written form by Addenda issued by the City prior to the scheduled Bid opening.

The City shall issue to the bidders a written change order to the original Bid documents and such change orders shall be binding upon both parties thereto. No claim based on oral changes will be allowed.
**HOLDING OF BID:**

The Bidder may withdraw its Bid at any time prior to the time specified as the Bid due date only. Thereafter, all Bids shall be irrevocable and may not be withdrawn for a period of ninety (90) days after the scheduled time of the opening of Bids.

**QUALIFICATIONS OF BIDDERS:**

It is the intention of City to award a Contract only to a Bidder that furnishes satisfactory evidence with the Bid that it has the requisite experience, ability and financial and other resources to execute the work successfully and within the required schedule.

The City may make such investigations as it deems necessary to determine the ability of the Bidder to perform the work, and the Bidder shall furnish to the City all information and data for this purpose as it may request. The City reserves the right to reject any Bid if the evidence submitted by, or investigation of such Bidder, fails to satisfy the City that such Bidder is properly qualified to carry out the obligations of the Contract and to complete the work contemplated therein.

The Cash Farm Lease shall be awarded to the highest responsive and responsible Bidder whose bid meets the requirements and the criterion set forth in this Bid solicitation and is determined to be in the best interest of the City. The City Council may determine to make whole or partial awards, may reject any or all bids and may waive technicalities, in his or her discretion.

**ILLINOIS ETHICS ACT:**

Bidder warrants and represents that it has not violated, and will not violate, any provisions of the Illinois State Officials and Employees Ethics Act in bidding on this solicitation.

**NO ASSIGNMENT:**

The Bidder is prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of the Contract or its rights, title of interest therein or its power to execute such Contract to any other person, company or corporation without the written consent of the DAA.

**NO FACSIMILE TRANSMITTALS:**

Facsimile transmitted Bid proposals will not be accepted by DAA.

**INTERPRETATION OF DOCUMENTS:**

If any Bidder contemplating submitting a Bid is in doubt as to the meaning of any part of the Specifications or other Bid Documents, contact Tom Cleveland at (815) 758-3521.

**BID SECURITY**

Not required.
PERFORMANCE AND OTHER BONDS

Not required.

BID DOCUMENTATION REQUIREMENTS:

All Bids must be submitted on the blank Bid Forms furnished with these Contract Documents. Please make and retain a copy of this Bid for your records. Any Bids received that are unsigned shall be subject to rejection.

Bidder shall acknowledge receipt of each addendum issued in the space provided within the Bid Forms.

The Bidder shall return this Bid with all pages intact. Unless otherwise stated, all blank spaces on the Bid Pricing page or pages, applicable to the Specifications, shall be correctly filled in. Bids in which all items are not complete will be rejected.

All signatures shall be original, in writing and in ink.

END OF INSTRUCTIONS TO BIDDERS
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

SPECIFICATIONS

This solicitation is for the cash farm lease of approximately 358 acres to be utilized for soybean or corn crops during the period of March 1, 2012 – February 28, 2015 or earlier if final harvesting has occurred. Combined with the cash farm lease is the rental of two (2) grain bins with total capacity of 30,000 bushels located on DeKalb Taylor Municipal Airport property.

Minimum Bid $160.00 per acre

Bids will be evaluated based on a combination of the rent bid and bin bid.

Specific property utilized for farming is described as follows:


Cropland not part of this bid document - 24.9 acres, Tracks 13 & 14 - 08-24-251-004, 08-24-401-003, 3.4 acres - 09-18-400-006, 5.5 acres – (portion of) 09-17-100-117, and 9 acres of Lot #4 DeKalb Dresser Farm Lot

Site inspections may be arranged by contacting Tom Cleveland at (815) 748-8102 during the hours of 8:30 a.m. - 3:30 p.m. Monday – Friday.
PW Memo #2011-39

DATE: December 15, 2011

TO: Steve Kapitan
    City Clerk

FROM: T.J. Moore, Director of Public Works

SUBJECT: Airport Farm Lease Final Cash Price

Please see below for a breakdown of the final cash price by acre and by grain bins as bid by Old Elm Farms.

Total acres: 358  Price per acre: $325.50
Total grain bins: 2  Price per 2 bins: $9,000.00

For a total annual sum of $125,529.00 in 2012.

Please contact me if you have questions or need additional information.

Cc: Tom Cleveland
PW Memo #2011-39

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Co: Tom Cleveland
# BID RESULTS

**Project:** 3 Year Cash Farm Lease

**Bid Date:** November 14, 2011 2:00 p.m.

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Contractor Name</th>
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<tbody>
<tr>
<td>1</td>
<td>Nelson Hillquist</td>
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<tr>
<td>2</td>
<td>Dick Tomary</td>
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<td>3</td>
<td>Jim Burnett</td>
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<td>Thomas Weishuhn</td>
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<td>5</td>
<td>Tony Harbesk</td>
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<td>6</td>
<td>Spirit Family Farms</td>
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<td>7</td>
<td>Old Elm Farms</td>
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<td>8</td>
<td>Nelson Hillquist</td>
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<td>9</td>
<td>Jr. Bozak</td>
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</table>
DEKALB TAYLOR MUNICIPAL AIRPORT
AIRPORT ADJACENT FARMING BID

BID FORM PRICING

Per Acre Offer $[Redacted] x 350 Acres = $[Redacted]  Total Acres Offer

Grain Bins Offer $[Redacted] Annually

The greater of (i) $[Redacted] per acre and (ii) $2.50 per acre more than the highest responsive and responsible bid submitted by all other Bidders whose bids meet the requirements and criterion set forth in the City of DeKalb's Invitation for Bids for the DeKalb Taylor Municipal Airport, Airport Adjacent Farming Bid, but not to exceed $[Redacted] per acre times 358 acres, it being my intent to bid $2.50 per acre more than any other qualified bid submitted, however calculated, but not to exceed $[Redacted] per acre-annually times 358 acres.

The greater of (i) $[Redacted] and (ii) $100.00 more per year than the highest responsive and responsible bid submitted by all other Bidders whose bids meet the requirements and criterion set forth in the City of DeKalb's Invitation for Bids for the DeKalb Taylor Municipal Airport, Airport Adjacent Farming Bid, but not to exceed $[Redacted] annually for two (2) Grain Bins with a combined 30,000 bushel capacity, it being my intent to bid $100.00 per year more than any other qualified bid submitted, however calculated, but not to exceed $[Redacted] annually.