

Request for Proposals
Farming
South Bend International Airport

1) Introduction and Purpose

The South Bend International Airport, owned and operated by the St. Joseph County Airport Authority (“Authority”) is requesting proposals from qualified individuals to conduct certain farming activities on property owned by the St. Joseph County Airport Authority. If a proposal is accepted by the Authority, the successful proposer (“Tenant”) will enter into 1 or several lease agreements with the Authority and conduct farming activities according to the Authority’s standards.

2) Subject Property As shown on Exhibit A

Existing Parcels and acreage (acreage is an estimate):

A.	203 Acres	Alfalfa	Tree Removal Credit Available
B.	13 Acres	Alfalfa	Tree Removal Credit Available
C.	6.5 Acres	Alfalfa	Tree Removal Credit Available
D.	14 Acres	Alfalfa	Tree Removal Credit Available
E.	5.5 Acres	Alfalfa	Tree Removal Credit Available
F.	22 Acres	Alfalfa	Tree Removal Credit Available
G.	5.5 Acres	Alfalfa	Tree Removal Credit Available
H.	21 Acres	Alfalfa	Tree Removal Credit Available
I.	12.5 Acres	Alfalfa	Tree Removal Credit Available

3) Crops

Parcels will have restrictions on the crops that can be planted. Each parcel will have the restrictions listed under Section 2. Alfalfa may consist of an alfalfa grass mixture.

4) Tree Removal

Authority may offer tree removal credits for the first year of the lease term on certain parcels listed under Section 2. Credits must be approved by Authority prior to any work being completed.

5) Lease Term

The Authority expects the subject property will be leased for a minimum base term of six (6) years. However, other terms proposed will be considered.

6) Rent and Fees

Rent will be on a per acre basis. The rent will be adjusted on a yearly basis throughout the term of the lease (see exhibit B Article IIID.) The Authority expects that the successful Proposer will be responsible for all maintenance and repair, insurance, utilities, and taxes associated with the use of the subject property. At the present time there are no property taxes or utilities.

All rent and fees will be waived for the 2019 growing season to allow for necessary land preparations before farming operations may take place.

7) Security for Parcels

Farming inside the fence will require badging for a person (or persons) in the supervisor role and will be required to be on site and have positive control over all equipment and personnel at all times. Positive control means in direct contact and line of sight. Badging is \$195.00 with \$100.00 returned upon return of badge. The badging process requires a back ground check, fingerprinting, training and testing. Certain equipment including radios and beacons may be required for any farming inside the fence.

8) Schedule for RFP Process

The schedule for this RFP process (which is subject to change) follows:

1. RFP Issuance 11/4/2018
2. Interested Proposer make appointment to tour Airport and discuss prior to 11/22/2018
3. RFI or questions due by noon 11/23/2018
4. RFP Addendum if necessary to issue by 11/27/2018
- 5: RFP bids to Authority by Noon (Eastern Time) 12/4/18
6. Selection of fully qualified Proposer 12/7/18
7. Negotiation of leases and approval by Authority Board no later than 12/12/18
8. Execution of Agreements 1/1/2019

9) Proposers Instructions

The Authority is soliciting qualified competitive bids because it has determined that this process best serves the interest of the Airport and the public. All Proposers will be afforded a full opportunity to submit bids in response to this RFP and no person shall be discriminated against on the grounds of race, color, age, sex or national origin.

Authority staff will evaluate all bids based on what is most advantageous to the airport and its patrons. The Authority will then select the Proposer that best meets the evaluation criteria and make a recommendation to the Authority Board. Under no circumstance will the Authority be obligated to accept any bid and reserves the right to reject any or all bids for any or no reason, to modify, supplement, or amend this RFP, the process or schedule, to waive any informality, to negotiate any portion of any proposal, to negotiate with an Proposer, to postpone, reissue or cancel the RFP or to advertise for new bids.

Bids will be received and publicly acknowledged at the location, date and time as stated. Proposers, their representatives and interested persons may be present. The bids shall be received and acknowledged only so far as to avoid disclosure of the contents to competing offers and kept secret during evaluations and negotiations. However, bids shall be open for public inspection after the contract is awarded, except for trade secrets and confidential information contained in the bids and identified by Proposers as such.

The Proposer shall not lobby, either an individual or on a collective basis the Authority (its board, employees or outside advisors) or any federal, state, or local elected or public officials or support staff personnel regarding this RFP or a proposal. Proposers, the Proposers acquaintances, friends, family, outside advisors, agents, or other representatives shall not contact the Authority, (its board, employees, or outside advisors) or any federal, state or local elected public official or support personnel to arrange meetings, visits or presentations to influence the outcome of the selection process.

Violation of this provision, by or on behalf of the Proposer, intentionally or unintentionally, will result in disqualification of the Proposers and/or rejection of a bid.

All Proposers must submit evidence that they have the necessary qualifications, experience, capabilities and financial resources to fulfill the terms and conditions of the lease agreement. As such Proposers must complete and/or submit all of the information, data, documentation and material stipulated in this RFP. Failure to do so will be grounds for disqualification of the Proposer and/or rejection of a bid. The bid and any other information, data, documentation and material submitted by the Proposer will be relied upon by the Authority in making the decision to lease the subject property, and must be warranted by the Proposer as true, accurate and complete.

10) Airport Tour (Non-Mandatory)

Interested Proposer may setup appointments to tour the airport property and discuss the RFP up to and including November 22, 2018. This is not mandatory, but is highly encouraged.

Tours can be set up by contacting the Properties Manager Kerianne Linn, **preferably by email** at klinn@sbnair.com, or at (574) 282-4590 ext. 221.

11) Investigation of Conditions and Circumstances

The submission of the bid shall be considered conclusive evidence that the Proposer: (1) has read, is thoroughly familiar with and fully understands the RFP and all related documentation and material (2) considers itself fully qualified, experienced, capable and competent to occupy and use the subject property and successfully engage in the proposed activities at the airport and is fully aware and understands all the requirements associated with doing so, (3) has thoroughly, conscientiously, and independently investigated all aspects of the opportunity and all related documentation, or material conveyed in this RFP or otherwise provided by the Authority (4) is fully aware of and understands the conditions or circumstances that exist in the aviation industry, the community, at the airport and in the marketplace.

No claim for adjustment of any provision of the lease agreement to be executed shall be honored after the bid has been submitted on the grounds that the Proposer was not fully informed as to the existing conditions or circumstances of other related matter.

The Authority cannot and does not make any representation or warranty with regard to the information, data, documentation, and material conveyed in the RFP or otherwise provided by the Authority. The successful Proposer will be leasing the subject properties in an "as is" condition without representations or warranties from the Authority as to the condition or suitability of the land. As such Proposer shall conduct their own independent investigations and analysis and make their own assessments, judgments and decisions regarding this opportunity.

12) Presentation of bids

Bids must be complete, accurate and free of ambiguity, incomprehensibility, alterations or irregularities of any kind. Upon completion, the bid must be signed in ink by the Proposer or an authorized representative of the Proposer and included in the bid.

In the case of conflict between words and numerals, the words unless obviously incorrect shall control or prevail. Proposers are cautioned to verify and confirm all aspects of the bid prior to submittal. Negligence or omission on the part of the Proposer or any party preparing any portion of the bid confers no right to withdraw or make changes, additions or deletions to the bid after the bid submission deadline on December 4, 2018.

The Authority shall not under any circumstances, be responsible for any costs or expenses associated with the bid submitted including, but not limited to the bid submitted research, investigation, development, preparation, duplication, production, collation, packaging, delivery, transmittal or presentation of the bid or any other related information, data, documentation and material. All costs and expenses incurred by the Proposer in connection with the bid submitted shall be the sole responsibility of the proposer.

13) Airport Information

The airport is a 14 CFR Part 139 certified primary service airport located in north central Indiana, approximately 3 miles northwest of the City of South Bend, Indiana.

ICAO identifier: KSBN

3 Runways:

Rwy 9R-27L is 8412 Ft by 150 ft

Rwy 18-36 is 7101 ft by 150 ft

Rwy 9L-27R is 4300 Ft by 75 ft

Air carrier service by Allegiant, Delta, American and United with nonstop service to 12 destinations seven days a week. FedEx and UPS operate mainline aircraft (757) 5 nights a week.

Additional statistical information on SBN can be found at http://www.flysbn.com/airport_statistics.php

14) Expectations

Attached is the draft lease for farming operations in the form of Exhibit B. Exceptions, variations and other changes to the draft lease will be done on a case by case basis at the sole discretion of the Authority.

15) Bid Content

Bids must be organized so that each element (identified below) is addressed in the order indicated herein. Each Proposer must certify that it has not participated in collusion or other anticompetitive practices in connection with this RFP process by executing and returning with its bid the non-Collusion Affidavit in the form of Exhibit C attached hereto. Proposers must answer all questions completely and accurately and furnish all required information, data and documentation and material. Tabs must be utilized to separate each section of the bid. One bid can be submitted for multiple parcels, in section 3a. indicate which parcel by letter you are referring too.

- 1) Cover Letter- Each Proposer must submit a cover letter identifying the name of the bidding entity. The original bid must be signed in ink by an authorized representative of the proposing entity who can make contractual agreements and/or commitments on the behalf of the Proposer.
- 2) Qualification and Experience- Each bidder must provide a description of the experience, qualifications and capabilities to engage in the proposed activity.
- 3) Operational Plan-including starting price per acre per parcel and evidence of the ability to obtain the insurance coverage in the amounts required in the lease agreement.
- 4) Exhibit C Non Collusion Affidavit

16) Selection Criteria

Each of the selection criteria factors will be evaluated by price per acre, in addition to other factors it deems advantageous to the airport and its patrons. However, the final determination of the success of a bid will be primarily evaluated based on what is the best interest of the airport and compliance with requirements of the RFP. The Authority reserves the right to negotiate the best terms for the airport with the person or entity submitting the bid selected, and such best terms for the airport may include entering into a contract with any of the entities responding to this RFP.

17) Miscellaneous

Any questions, comments, or requests concerning the RFP must be received **in writing** to Kerianne Linn via email to klinn@sbnair.com prior to noon (Eastern Time) November 23, 2018, the question submission deadline.

The Authority's responses to questions, comments, or requests will be provided in the form of an addendum to the RFP published at www.flysb.com/business/ on November 27, 2018. Proposers are responsible to review any addendums and make any necessary changes.
<https://flysb.com/sbn/business/>

Oral communications from the Authority (its board, employees, or outside advisors, or any other person associate with this RFP) shall not be binding on the Authority and shall in no way modify any provision of the RFP document. Only written responses (in the form of a formal addendum) issued by the Authority, shall be binding on the Authority.

18) Subordination to the Authority's Grant Assurances

The lease or leases with the successful Proposer will be subordinated to the provisions of any existing or future agreement between the Authority and the United States, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport. In the event that the Authority reasonably determines that the lease or leases causes or may cause a violation of any agreement between the Authority and the United States, the Authority shall have the unilateral right to modify the lease or leases to ensure compliance with all such agreements with the United States. This subordination provision shall survive the execution of such lease or leases with the successful Proposer.

19) Bids Accepted

Bids will be received in the Airport Information Center, 4477 Progress Drive, South Bend, IN 46628 until noon (Eastern Time) on December 4, 2018. Bids received after that time will be returned unopened.

Each bid must be placed in a sealed envelope, and signed by a person having authority to bind the firm in a contract and clearly marked "RFP for Farming"

Exhibit A

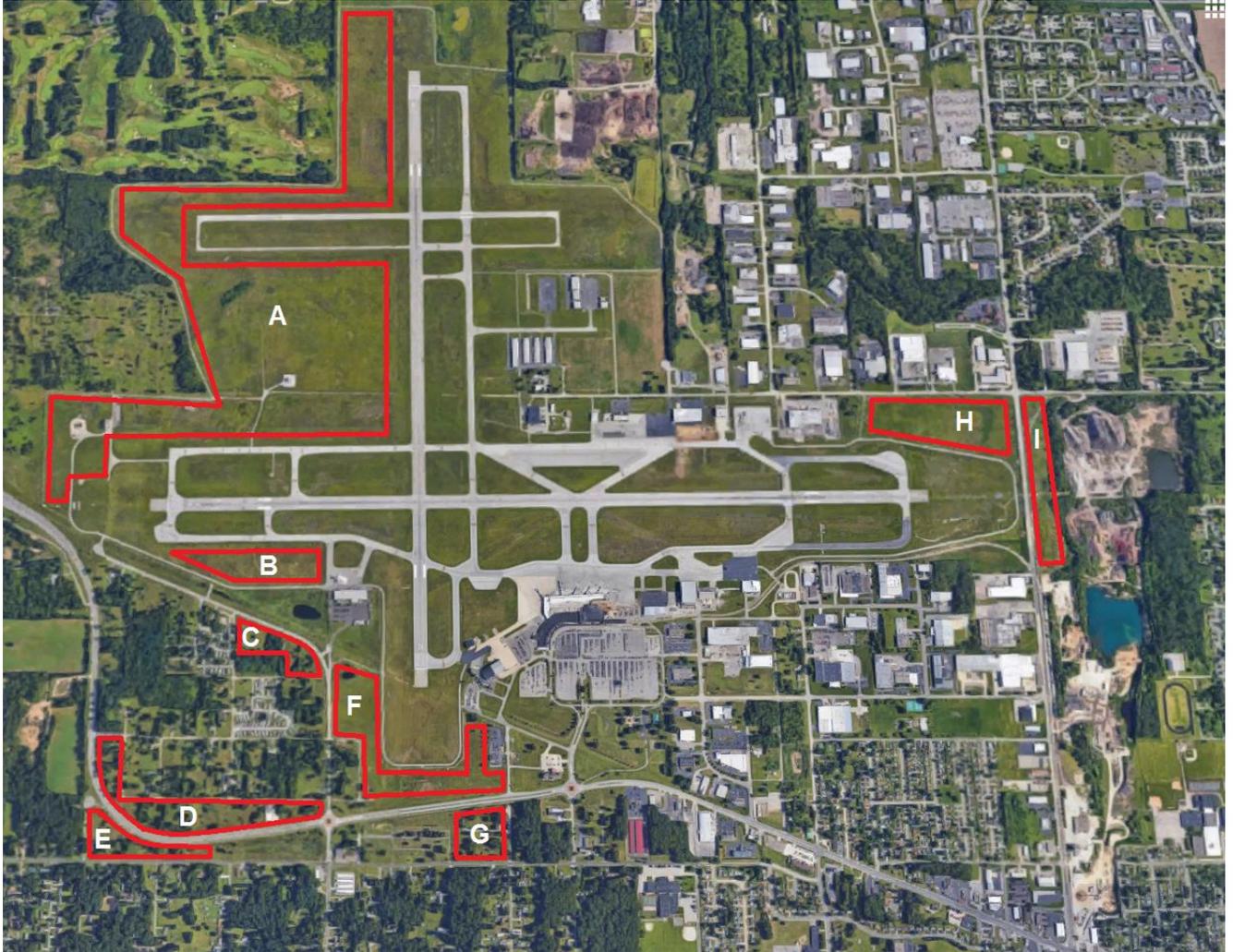


EXHIBIT B

GROUND AGREEMENT FARM LEASE

This Agreement is made this _____ of _____, 2018 between the St. Joseph County Airport Authority, a municipal corporation (the "Authority") and _____ (the "Tenant")

RECITALS

- A. The Authority currently owns and operates an airport known as the South Bend International Airport (the "Airport") located in St. Joseph County, Indiana, and
- B. The Authority deems it advantageous to itself and its operation of the Airport to Lease to Tenant certain premises and to grant to Tenant certain rights, privileges, and uses necessary to conduct Farming Activities.

COVENANTS

NOW THEREFORE, in consideration of the mutual promises and covenants of the parties, it is agreed as follows:

ARTICLE I

PREMISES

The Authority leases to Tenant certain unimproved real estate, located in St. Joseph County Indiana, and legally described in Exhibit "A".

A. LEASED PREMISES. The leased premises shall be as follows: The Authority hereby leases to the Tenant and the Tenant accepts a certain unimproved part of the property located on _____, South Bend, IN 46628 (the "Farm Field") as shown on the drawing attached hereto as Exhibit "A" containing approximately _____ acres respectively of unimproved space (the "Leased Premises"). Tenant agrees that it has inspected the Leased Premises and the taking of possession of the Leased Premises "As Is" and the Leased Premises was in good satisfactory condition and suitable for the use intended by Tenant at the time such possession was taken. Authority agrees to adjust any acreage, per official USDA survey, provided survey is given to Authority prior to planting.

ARTICLE II

TERM OF LEASE AGREEMENT

A. TERM. Subject to earlier termination as may be provided in this agreement, the term of this Lease Agreement shall be for a period commencing for the growing season of _____ and ending the at the end of the growing season, _____.

B. HOLDING OVER. In the event Tenant shall continue to occupy the Leased Premises beyond the term of this Agreement without consent of Authority, or after the Authority gives written notice to vacate, such holding over shall not constitute a renewal of this Agreement but shall be a month-to-month tenancy only. The amount of rent to be paid during this hold over period shall equal one and one half (1 ½%) percent times the normal rent chargeable at the termination of the lease.

ARTICLE III

FEES

Tenant shall pay to Authority, during each year, fees as follows:

A. FEES. As an annual rental, Tenant agrees to pay Authority, for tillable fields at the rate of per acre per year. It is agreed that the total tillable field acreage is _____ acres for a yearly total of \$_____.

B. TIME OF PLACE OF PAYMENT. All fees shall be paid yearly in advance on the first day of each lease year with the first payment due _____. All payments are to be made at the office Executive Director or such other place Authority may direct Tenant in writing.

C. DELINQUENT FEES. There shall be added to all sums due Authority and unpaid, an interest charge of one and one-half (1 ½%) percent of the principle sum for each full calendar month of delinquency, computed as simple interest. No interest shall be charged upon any account until payment is fifteen (15) days overdue but such interest, when assessed thereafter, shall be computed from the due date.

D. RENT INCREASES. The minimum rental to be paid is based upon the cost of living for the month of September, 2018 as reflected in the Consumer Price Index for all items for the United States city average (CPI-U) as determined by the United States Department of Labor, Bureau of Labor, Bureau of Labor Statistics, based on all items for the years 1982-84=100, which index figure for September 2018 was 252.439. It is agreed by the parties that the minimum annual rental shall be adjusted in the following manner commencing on the third lease year of the agreement and every lease year thereafter during the term on the basis of that Consumer Price Index, or, if there shall be no such Consumer Price Index, then by the successor of the most nearly compatible successor index (approximately adjusted to the September 2018 (base));(i) the basic index figure for this purpose shall be the index figure for this purpose shall be the index figure for September 2018 that is to say 252.439. If the corresponding index figure for July 2016 and each anniversary thereafter during the initial term, shall exceed the basic figure of September 2018 then the minimum annual rental for each lease year thereafter, until refigured, shall be increased to an amount arrived at by multiplying the minimum annual rent by a fraction, of which the

numerator shall be the index figure for November the year of recomputation, and the denominator shall be 252.439, (ii) notwithstanding any possible provisions to the contrary contained in this Agreement, it is agreed by the parties that the minimum yearly rental payable for any lease year after the initial year during the term, shall never be less than \$_____.

ARTICLE IV

PRIVILEGES

During the term of this Agreement, Tenant shall have the following rights and privileges, subject to rules, regulations and ordinances of the Authority in effect from time to time.

A. PRIVILEGES OF TENANT

1. INGRESS AND EGRESS. Tenant shall have the right of ingress and egress from the Leased Premises over and across public and common areas serving the Airport for Tenant, its agents and servants, patrons and invitees, suppliers of service and furnishers of material consistent with the Airport Security Program.

2. USES. The Leased Premises shall be occupied and used by the Tenant for the farming of an approved crop. The Tenant (a) shall occupy and use the Leased Premises during the term for the purposes specified above and none other; (b) may not make or permit any use of the Leased Premises which, directly or indirectly, is forbidden by law, ordinance, or government regulations which may be dangerous to life, limb, or property, or which may invalidate or increase the premium cost of any policy of insurance carried. Tenant agrees that they will maintain the Leased Premises within OSHA rules and regulations.

B. PROHIBITED USES. The Tenant shall not use or permit the use of the Leased Premises or any part thereof for any purpose or purposes other than those set forth above. Tenant shall not commit or suffer to be committed any waste in or upon the Leased Premises or maintain any public or private

nuisance or any other action which may interfere with or disturb the quiet enjoyment of any other Tenant/Tenants of the Authority or buildings of which the Leased Premises forms a part nor, without limiting the generality of the foregoing, shall the Tenant use or permit the use of the Leased Premises for any improper, immoral or unlawful act.

ARTICLE V

OBLIGATIONS OF TENANT

Tenant shall honor the following obligations:

A. REPAIR, MAINTENANCE, AND OPERATION BY TENANT. Tenant shall be responsible for the following maintenance and repair to the Leased Premises including but not limited to the following:

1. Tenant shall not dispose of any debris or waste material on Airport Property.
2. All maintenance on Tenant equipment

The Authority shall be the sole judge of the due repairs and maintenance undertaken by the Tenant, and may upon written notice, require specific repair and maintenance work to be completed. If such repair or maintenance is not completed within a reasonable time period the Authority shall have the right to perform such due repairs or maintenance, and Tenant shall reimburse Authority for the cost of such repairs or maintenance plus a fifteen (15%) percent administrative fee upon presentment of a billing. Tenant agrees that upon the expiration of the term of this Agreement or sooner termination thereof, the Leased Premises shall be delivered to Authority in as good condition as when received, reasonable wear and tear excepted. Authority reserves the right to make periodic inspections of the Leased Premises and improvements thereon.

If due to negligence or willful acts by the Tenant, its agents, servants, invitees or customers, there is a need for maintenance or repair of damage, then Tenant shall do such maintenance or repair in a prompt, reasonable manner.

B. The only type of crop allowed in each field shall be Alfalfa. Tenant shall not plant any crop which shall create a hazard to aircraft operating at the Airport.

C. Tenant shall farm the leased Premises in a sound manner. Tenant shall not keep any animals on the premises. Tenant shall use the property for agricultural property only.

D. CONSTRUCTION, ALTERATIONS, REPAIRS AND ADDITIONAL CONSTRUCTION. Tenant shall not erect any structures, make any improvements or modifications or undertake any other construction on the Leased Premises, nor alter, modify or make additions, improvements or repairs to or replacement of any structure existing or built, or install any fixtures without prior written approval of the Authority, which approval shall not be unreasonably withheld, delayed or conditioned. Tenant shall submit a written application consistent with the Authority's Building Permit and supported with a comprehensive plans package to the Authority.

E. NO-LIEN ARTICLE. Tenant shall keep the Leased Premises free from all liens, including, but not limited to, mechanics liens arising from any alteration or construction work performed or labor materials supplied to the leased premises. Any construction work on the Leased Premises authorized by the Tenant shall be performed pursuant to a "No-Lien" contract and Tenant shall make certain that the Indiana Statutes relating to the "No-Lien" contracts are complied with in every particular. If any mechanics, laborers or material men's lien shall at any time be filed against the Leased Premises or any part thereof, which lien is not the result of Authority's actions, Tenant shall cause the same to be discharged with of record, by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant fails to cause such lien to be discharged by payment or through appropriate bond within thirty (30) days, then such failure shall be deemed a default in the performance of this Agreement.

Nothing in this Agreement shall be deemed or construed in any way as constituting the consent or request of the Authority, express or implied by interference or otherwise, to any contractor,

subcontractor, laborer or material men for the performance, of any labor or the furnishing of any materials for any specific improvement, alteration to or repair of the Leased Premises or any part of the Leased Premises.

F. TRASH AND GARBAGE. Tenant shall maintain the Leased Premises including all improvements at all times in a safe, neat and sightly condition and shall not permit the accumulation of any trash, ashes, debris or noxious weeds on the Leased Premises.

G. NON-DISCRIMINATION. The Tenant for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and furnishings of services thereon, no person on the grounds of race, creed, color, national origin, sex, age or handicap shall be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination, (3) that the Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, part 21, Non-Discrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended, the Tenant agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof and to charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the Tenant may be allowed to make reasonable and non-discriminatory discounts, rebates or similar types of price reductions to volume purchasers.

H. INDEMNITY AND INSURANCE BY TENANT. As a condition for the granting of this Agreement and to the fullest extent permitted by law, Tenant agrees to indemnify and hold harmless

Authority and the Authority's officers, directors, employees, servants, guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors from any and all claims, suits, judgments, liabilities, adverse conditions/or situations of any kind assessed, claimed suffered by or otherwise asserted against the Authority , and/or the Authority's officers, directors, employees, servants, guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors arising out of an act, omission, negligence, or misconduct, of the lease but not limited to, bodily injury, personal injury, loss of use, devaluation of property or property damage to any person or property except to the extent that such claims, suits, judgments, liabilities, adverse conditions, and/or situations of any kind assessed, claimed, suffered by or otherwise asserted were caused by the Authority or the Authority's officers, directors, employees, servants, guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors. Tenant further agrees to pay all related costs and attorney fees incurred by the Authority in the investigation and defense of any claim or allegation for which the Tenant is or may be wholly or partially, liable, responsible or otherwise involved or implicated. Any such damage or injury may be incident to arise out of, or caused, wither proximately or remotely, wholly or in part, by an act, omission, negligence, or misconduct of the Tenant or any of its officers, directors, employees, servants, guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors or any other person entering upon the Leased Premises under or with the express or implied invitation or permission of Tenant or when any such injury or damage is the result, proximate or remote, of the violation of Tenant or any of its officers, directors, employees, servants, guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors of any law, ordinance or governmental order or when any such injury or damage may in any other way arise from out of the repair or maintenance of the premises, possession, occupancy, or use the leased premises including, but not limited to, products sold or operations performed on or from the premises by the , officers, directors, employees, servants,

guests, invitees, affiliates, heirs, executors, assigns, agents, contractors, or subcontractors of the Leased Premises.

Tenant further agrees to waive any and all rights of subrogation against Authority for bodily injury or personal injury to persons and for any damage to Tenants property or property of others in the care, custody, or control of the Tenant.

For purposes of this Agreement, Tenant will procure and maintain at all times Farmers Comprehensive Liability and Property Damage including Automobile liability insurance (or equivalent) similar or equal to ISO Form CG 00 01 with a General Aggregate (other than Products-Completed Operations) of no less than \$1,000,000.00; Products and Completed Operations Aggregate of no less than \$1,000,000.00; Per Occurrence Limit of no less than \$5,000,000.00; Personal and Advertising Limit of no less than \$2,000,000.00; Fire Damage Legal Liability Limit of no less than \$1000,000.00; (any one fire). Tenant will add Authority as an Additional Insured under ISO Form CG 11 "Additional Insured- Managers or Landlords or Premises" or equivalent.

The above coverages are to be written on the broadest liability form possible including, but not limited to, blanket contractual, independent contractors and aviation non-ownership.

The above-described dollar amounts of insurance coverage shall be reviewed on a periodic basis and modified if necessary, based upon, escalating costs and limits for the uses as provided in this Lease as compared to similar airports.

All of the above-described policies of insurance shall be issued by a company that is acceptable to the Authority, and is qualified to do business in the State of Indiana. All of the above describe policies shall provide that the policy or policies cannot be cancelled or materially modified except with sixty (60) days' advance written notice by registered or certified mail to the Authority. Such insurance must provide that it will be considered primary insurance as respects any other valid and collectible insurance,

or self-insured retention, or deductible the Authority may possess. Any other insurance or self-insurance retention of the Authority shall be considered excess insurance only.

Tenant shall provide Authority on or before Occupancy of the Leased Premises a Certificate of Liability Insurance equal to Accord Form #25S evidencing the placement of all coverages and extensions of coverages as outlined above. In addition, Tenant agrees to provide to the Authority certified copies of all insurance policies if requested by the Authority. Tenant agrees that all of the above described insurance policies shall contain a severability of insurance or cross-liability provision endorsement which shall read generally as follows: "In the event one of the insured incurring liability to any other of the assureds, this policy shall cover the assured against whom claim is or may be made in the same manner as if separate policies have been issued to each assured. Nothing contained herein shall operate to increase the limits of liability.

I. CARE OF PETROLEUM PRODUCTS AND OTHER MATERIAL BY TENANT. Tenant shall handle, use, store and dispose of petroleum products, and all other materials (including but not limited to hazardous materials) owned or used by it on the Leased Premises in accordance with all applicable federal, state, local and Authority statutes, regulations, rules and ordinances. No waste or disposable materials shall be released on the ground or in the storm sewer. Should such materials be spilled or escape from storage or in any way contaminate Authority property or property adjacent to Authority property through activities of the Tenant, the Tenant shall be responsible for the clean-up, containment or otherwise abatement of such contamination at Tenant's sole cost and expense. Further, Tenant shall notify the Authority and appropriate governmental agency of such occurrence immediately. Should the Tenant fail to do so, the Authority may take any reasonable and appropriate action in the Tenant's stead. The costs of such remedial action by the Authority, shall be paid by the Tenant plus fifteen (15%) percent. In addition, Tenant shall indemnify and hold harmless as to any and all expenses, costs or losses if Tenant fails to comply with this article in any way what so ever.

Violation of this Article shall be deemed a material breach of this Lease.

J. ENVIRONMENTAL.

1. "Hazardous substance" shall mean any hazardous substance as defined at 42.U.S.C 9601 (14), any regulated substance as defined at 42 U.S.C. 6991 (2), asbestos and PCB's.

2. "Transportation Laws" shall mean any and all federal statutes and regulations governing the transportation of hazardous materials by truck, rail, water or air, including but not limited to 49 U.S.C. 5101 et seq.

3. Tenant shall not cause, suffer or allow a release (as defined at 42 U.S.C. 9601 (22)) of a Hazardous substance to occur at the Leased Premises.

4. Tenant shall not cause, suffer or allow a Hazardous Substance to enter upon or be present at the Leased Premises unless such presence is incident to the transportation of such substance in intrastate or interstate commerce and such transportation and all acts incident thereto (e.g. packaging, labeling, placarding) are in compliance with all applicable transportation laws.

5. Tenant shall operate the Leased Premises in full compliance with all federal, state and local applicable environmental statutes, rules, regulations and ordinances and with all applicable transportation laws. Tenant shall not, without prior written consent of the Authority, install any storage tank, introduce fill material to, or make any improvements to the Leased Premises.

6. In the event of a release of a Hazardous Substance at the Leased Premises, Tenant shall promptly institute and diligently complete all necessary and appropriate actions whether on or off the Leased Premises, to abate and fully remediate such release. Tenant shall be solely responsible for any notification requirements under federal, state or local law. Tenant's remedial actions shall be those necessary to return the Leased premise to its condition as nearly as possible, which existed prior to the release. Should the Tenant fail to perform its responsibilities under this

paragraph, authority may do so in Tenant's stead, the costs of which shall be paid by the Tenant plus fifteen (15%) percent.

7. Tenant agrees to indemnify, defend and hold harmless Authority, its directors, officers, employees, agents and each of their successors and assigns from and against all claims, actions, penalties, costs, liabilities, losses and expenses (including reasonable attorney's and expert witness fees) arising at any time during or after the term resulting or allegedly resulting from the release of a Hazardous substance at the Leased Premises caused by the Tenant during the term, or Tenant's handling of any Hazardous Substance incident to its transportation in commerce.

8. Authority represents that, to the best of its knowledge: there are no hazardous substances at, in, or under the Leased Premises in a condition or concentration which would represent a threat to groundwater or otherwise require remediation under any federal, state, or local statute, rule, regulation or ordinance; the Leased Premises are in compliance with all applicable environmental laws; and there are no asbestos-containing materials, PCB's or underground storage tanks at the Leased Premises.

9. Authority agrees to indemnify, hold harmless and defend Tenant, its partners, directors, officers, employees, shareholders, agents, contractors and each of their respective successors and assigns from and against all claims, actions, penalties, costs, liabilities, losses, and expenses (including reasonable attorney's and expert witness fees) arising at any time during or after the term resulting or allegedly resulting from the presence of any Hazardous Substance, asbestos-containing material, PCB or underground storage tank existing as of the date of the first occupancy by Tenant.

10. Tenant shall comply with all Storm Water Pollution Prevention Plan, Spill Prevention Control Counter Measures, and all other Authority requirements as amended from time to time.

K. COMPLIANCE WITH LAWS, RULES AND REGULATIONS. Tenant shall, at its sole expense, observe and comply with the statutes, rules and regulations of all governmental authorities applicable to the conduct of Tenant's business and in addition, those rules, ordinances, and regulations of the Authority not inconsistent with the provisions of this Agreement. Any penalties and costs levied as a result of the Tenants breach of any of the above shall be borne by the Tenant.

L. CONTINUOUS OPERATION. Tenant shall maintain a farming type business at all times, with the appropriate permits and licenses.

M. HARVEST. Tenant shall harvest all crops within a reasonable time after crops mature. In the event Tenant does not do so, Authority may have the crops harvested at Tenant's expense. Authority shall have a landlord's lien on the crops as security for the rental and performance of other covenants and agreements of the Tenant. Tenant shall obtain prior written consent of Authority before pledging the crops as security for any other indebtedness.

N. BURN. Tenant shall not burn any material on leased premises.

O. SOIL BANK. None of the leased land shall be placed in a soil bank or other land retirement program without the prior written consent of the Authority. Land placed in one of these programs must be mowed on a regular basis.

ARTICLE VI

OBLIGATIONS AS A PUBLIC AIRPORT

A. OPERATION AS A PUBLIC AIRPORT. Authority covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by Authority to the United States Government under the Federal Airport Act.

B. ENTRY AND INSPECTION. Authority shall have the right to enter upon and inspect the Leased Premises at any reasonable time during the term hereof for an purpose necessary, incidental to or connected with the performance of its obligations hereunder or in the exercise of its governmental functions and, upon reasonable notice to Tenant, to make any repairs, additions or alteration deemed necessary by the Authority without abatement of rent; provided; however, the Authority shall not, during the course of any such inspection or repairs , unreasonably interfere with the Tenant’s use and enjoyment of the Leased Premises.

C. HUNTING. The Authority reserves the right to allow hunting on Leased Premises by employees and certain relatives of employees or by an Agreement between the Authority and third party.

ARTICLE VII

TERMINATION OF AGREEMENT, ASSIGNMENTS AND TRANSFERS

A. TERMINATION. This agreement shall terminate without action by either party at the end of the initial term or any renewal term.

B. TERMINATION BY TENANT. Tenant may terminate this Agreement after the happening of one or more of the following events:

1. The permanent abandonment of the Airport.
2. The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part of parts thereof, in such a manner as substantially to restrict Tenant for a period of at least ninety (90) days from operating hereon;

3. The default by Authority in the performance of any covenant or agreement herein required to be performed by Authority and the failure of Authority to remedy such default for a period of sixty (60) days after receipt from Tenant of written notice to remedy the same.

4. Tenant shall have the right to terminate this agreement in the event of Tenant's death, flood or other act of God.

C. EXERCISING TENANT'S RIGHT TO TERMINATION. Tenant may exercise such right of termination by written notice to Authority at any time after the occurrence of any such events and the Agreement shall terminate as of the date notice is received by Authority.

D. TERMINATION BY AUTHORITY. Authority may terminate this agreement in the event Tenant shall:

1. Be in arrears in the payment of the whole or any part of the rent or other payments required for the period of fifteen (15) days after the time such payments become due;
2. Make a general assignment for the benefit of creditors.
3. Filing a voluntary or involuntary petition in bankruptcy court;
4. Abandon the Leased Premises;
5. Default in the performance of any of the covenants, agreements and conditions required herein to be kept and performed by Tenant, and such default continues for a period of thirty (30) days after receipt of written notice from Authority of said default;
6. Appointment of Receiver for Tenant
7. Violation of Authority rules and regulations not inconsistent with the provisions of this lease and such default continues for a period of thirty (30) days after receipt of written notice from Authority and said default.

8. Authority shall have the further right to terminate this lease because of airport improvements or development work on the leased premises affecting farming activity on any part or the whole of the leased premises.

E. EXERCISING AUTHORITY'S RIGHT OF TERMINATION. The Authority may exercise such rights of termination by written notice to the Tenant and this Agreement shall terminate as of the date. Authority shall have the right to collect such damages as may be permitted by law arising out of such termination. Failure of Authority to declare this Agreement terminated upon the default of Tenant for any of the reasons set out above shall not operate to waive the right of Authority to terminate this Agreement by any reason of any subsequent violation of the terms.

F. WAIVER OF STATUTORY NOTICE TO QUIT. In the event Authority exercises its option to terminate this Agreement upon the happening of any of the events set forth in Section D of this Article (Termination by Authority), a notice of termination shall be sufficient to terminate this Agreement; and upon such termination, Tenant agrees that it will forthwith surrender possession of the Leased Premises to Authority. In this connection, Tenant expressly waives the receipt of any notice to quite or notice of termination which would otherwise be given by Authority.

G. SUBLETTING AND ASSIGNMENT. Tenant may not assign, sublet, transfer, or sell any of the rights granted by this Agreement or rent or sublease the Leased Premises without the prior written consent of the Authority, which consent shall not be reasonably withheld, conditioned or delayed. As indicated above, Tenant may, with the prior written consent of Authority, assign this Agreement; but in such event, Tenant shall remain liable to Authority for the remainder of the term of the Agreement to pay to Authority any portion of the rental and fees not paid by the Assignee when due. The Assignee shall not assign the Agreement except with the prior written consent of the Authority, and any

assignments by the Tenant shall contain a provision to this effect. Further, any assignee of the lease shall be bound by the terms and conditions of this Agreement.

H. SUSPENSION OF LEASE. During the time of war or national emergency, Authority shall have the right to lease the landing area, Terminal Building and/or other Airport premises or any part thereof to the United States Government for military use. If any such Lease is executed, any provision of this Lease may be suspended, provided that the term of this Lease shall be extended by the amount of period of the suspension.

ARTICLE VIII

RIGHTS UPON TERMINATION

A. LEASED PREMISES. The Leased Premises shall be and remain the property of the Authority during the entire term of this Lease and thereafter.

B. REMOVAL OF PROPERTY. At the termination of this Lease for any reason, after payment of all fees and charges, Tenant shall have the right within thirty (30) days thereafter, to remove any of its machinery, supplies, and equipment on the Leased Premises by Tenant, but shall repair at its own expense all damage caused by such removal. On termination of this Agreement from whatever cause, the Authority shall have the right, upon thirty (30) days' notice, to require the Tenant at the Tenant's expense to remove any of its additions and improvements, as well as all machinery, and equipment on the Leased Premises and the Tenant shall repair at the Tenant's own expense all damage to the Leased Premises caused by such removal. Any such personal property not removed by Tenant within such time shall become the property of the Authority.

C. LANDLORD LIEN. If the Tenant has not fully paid all the fees and charges pursuant to this Agreement, then the Authority shall be entitled to a Landlord Lien for the purpose of securing the payment of all fees and charges. Authority shall have the right to liquidation of such personal property,

to satisfy any obligations of the Tenant and the costs incurred to perfect this Landlord Lien. Any excess funds from this liquidation shall be turned over to the Tenant.

ARTICLE IX

GENERAL PROVISIONS

A. AUTHORITY'S RESERVED RIGHTS. Authority at its sole discretion reserves the right to further develop or improve the Leased Premises as it sees fit and to take any action it considers necessary. However, any such act shall not adversely interfere or disrupt the business of the Tenant on a continuing basis.

This Agreement shall be subordinate to the provisions of any existing or future agreement between the Authority and the United States, relative to the operation or maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure of reimbursement to Authority for federal funds for the development of the Airport.

B. NON-INTERFERENCE WITH OPERATION OF AN AIRPORT. Tenant by accepting this Agreement expressly agrees for itself, its successors and assigns that it will not make use of the Leased Premises in any manner which might interfere with the operation of the Airport or otherwise constitute a hazard. In the event this covenant is breached, the Authority reserves the right to enter upon the Leased Premises and cause the abatement of such interference at the expense of the Tenant.

C. NON-EXCLUSIVE RIGHT. It is understood and agreed that nothing contained in this Agreement shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958, or as amended from time to time, which by this reference is made part of this Lease Agreement.

D. ATTORNEY'S FEES. If action is brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees.

E. TAXES, LICENSES, AND PERMITS. Tenant shall pay all personal property taxes which may be assessed against equipment, merchandise, or other personal property belonging to the Tenant located on the Leased Premises, or other permitted portions of the Airport. In the event any real estate taxes are assessed against the land or improvements on the Leased Premises during the term of this Agreement, such taxes shall be paid by Tenant. If taxes are ever assessed to this property the Airport Authority will provide a credit of fifteen (\$15) dollars per acre or the assessed taxes value, whichever is less. Tenant shall obtain and pay for all licenses, permits, fees, or other authorization or charges as required under federal, state, or local laws and regulations insofar as they are necessary to comply with the requirements of this Agreement and the privileges extended hereunder.

F. PARAGRAPH HEADINGS. The paragraph headings are for convenience in reference and are not intended to define or limit the scope of any provisions of this Agreement.

G. NOTICE. Whenever any notice is required by this Agreement to be made, given or transmitted to the parties, such notice shall be served by Certified or Registered Mail with return receipt, addressed to:

Executive Director
St. Joseph County Airport Authority
4477 Progress Drive
South Bend, IN 46628

And Notices, consents and approvals to the Tenant addressed to:

Or such other addresses as the parties may designate to each other in writing.

H. INDIANA LAW. This Agreement shall be interpreted in accordance with the laws of the State of Indiana.

I. SUCCESSORS AND ASSIGNS. All of the terms, covenants and agreements herein contained shall be binding upon and shall inure to the benefit of the successor and assigns of the parties.

ARTICLE X

DEFAULT UNDER THE LEASE AGREEMENTS

Should tenant have in existence with the Authority other Agreement(s), any breach by Tenant of such other Agreement(s) shall constitute a material breach of this Agreement.

The parties now sign this Agreement this _____ day of _____, 2018.

St. Joseph County Airport Authority

By: _____

By: _____

EXHIBIT C

NON-COLLUSION AFFIDAVIT

STATE OF _____)
)
_____ COUNTY)

The undersigned authorized representative of Bidder, being duly sworn on oath, states that he/she is duly authorized to act on behalf of Bidder and has not, nor has any other employee, member, representative, or agent of the firm, company, corporation or partnership represented by him/her, entered into any combination, collusion or agreement with any person relative to the price or services to be offered by any person nor to prevent any person from making a bid nor to induce anyone to refrain from submitting a bid and that this offer is made without reference to any other offer.

Respondent (Name of Firm) _____

Signature of Representative/Agent _____

Printed Name of Representative/Agent _____

Title _____

Subscribed and sworn to before me this _____ day of _____, 2018.

My Commission Expires:

Notary Public

County of Residence