

REQUEST FOR PROPOSALS
AGRICULTURAL PROPERTY, PIDGEON INDUSTRIAL AREA

The Memphis and Shelby County Port Commission will receive proposals at their office at 1115 Riverside Boulevard, Memphis, TN 38106-2504, until 2:00 p.m. Tuesday, August 30, 2016, for the lease of property in the Frank C. Pidgeon Industrial Area.

The Shelby County Farm Services Agency (FSA) farm number is 3719. The farmland property is 3,427.79 acres, of which, approximately 987.97 acres is considered cropland. (See attached FSA report dated 0-0-0). The cropland acres will be reduced by 55.04 acres in Tract 6431, field 1 which is currently outside the levee. **Therefore, the actual bid acres will be 932.93 acres.** It is understood that some of the cropland acres may currently be marginal for planting, but all of the acres will be bid to encourage reclamation. (See the attached field maps of the site.) The current payment is \$181.51 per acre.

The lease will be subject to existing easements shown on record in the Register's office of Shelby County, TN and those submitting a proposal are advised to examine the public record and to make a personal inspection of the area to be leased before submitting proposals. Visits to the site can be arranged by calling Sam Small at the Port Commission office at (901)-948-4422.

A lease agreement will be entered into with person(s) or organization(s) demonstrating the best combination of current and past financial stability, operating equipment/capitol/personnel and ability to pay in a timely manner. Payment will consist of \$75,000 at the beginning of the year and the balance due at the end of the calendar year. A sample of the previous contract is included within this package information. The Port Commission reserves the right to refuse any or all proposals received.

The minimum requirements for the items listed above are as follows:

- A letter of financial stability from a primary financial institution (letters from commodities' organizations promising to purchase harvested products will not be accepted)
- A 10 year listing of all farm related financing institutions and contact information.
- Accounting statements for the last 3 years' farming operations

- Detailed listing of equipment available for use on the property described
- A written plan describing the proposed use of the land (i.e. the crops to be planted, how many acres, and the amount of crops in government programs), and the number of personnel to be committed to the operation.
- A Certificate of Insurance in the minimum amount of \$2,000,000 combined single limits covering property damage and bodily injury as specified in the attached Insurance Information Sheet.

The final lease document, will among other things, contain the following:

-The term of the lease will be 5 years with 2 - one-year options, unless otherwise specified during contract negotiations and agreed upon by the EDGE and Port Commission Board of Directors. The lease will begin January 1, 2017.

-Rental will be paid in the method prescribed by the person(s) awarded use of the property by a selection committee of the Board of Commissioners of the Memphis and Shelby County Port Commission.

-Premises shall be used for usual and customary farming operations. Lessee will have no rights or claim to the shoreline along the Mississippi River.

-Lessee, his heirs and employees are not under any circumstances authorized to hunt or fish or permit any hunting or fishing or operate any facilities for any type of related activities during the term of this lease.

-No land will be cleared or any timber cut or wildlife habitat unnecessarily disturbed without written consent of Lessors.

-Lessee shall commit no waste, or contamination of the land, and shall not dispose of petroleum products or agricultural chemicals in an unauthorized manner. Further, it shall be the duty of the Lessee to prevent the use of any portion of the property by unauthorized persons for unauthorized purposes.

-Lessor shall not be responsible for any damage caused by any event, including flood, except as provided within the contract document.

-Lessor reserves the right of ingress and egress.

-Lessee will maintain all of the improvements on the leased premises and return them at the termination of this lease, or any extensions thereof, in as good condition as when received, damage by fire, unless caused by the Lessee's negligence or Acts of God, excepted.

-All improvements that are desired by Lessee and made upon the premises by Lessee shall be installed and maintained at Lessee's expense. No alterations, additions or improvements to the leased property shall be made by the Lessee without the written consent of Lessors. Any alterations, additions, or improvements made by Lessee after such consent shall have been given, and any fixtures installed as part thereof, become the absolute property of the Memphis and Shelby County Port Commission without payment of any kind therefore unless otherwise agreed to in writing by Lessor and Lessee.

-In the event the Lessors shall need all or any portion of the leased premises in connection with any proposed expansion of the Frank C. Pidgeon Industrial Area Development or for any environmental or conservation purposes prior to the termination of this lease, the portion required shall be surrendered immediately and an adjustment in rent shall be made. If cropland is taken during the growing season, crop loss reimbursement will be handled on a case-by-case basis.

-The successful Lessee, at its own risk and expense, during the term of the lease agreement, shall provide liability insurance in the minimum amounts of **TWO MILLION DOLLARS (\$2,000,000)** combined single limits covering property damage and bodily injury with SHELBY COUNTY, CITY OF MEMPHIS, ECONOMIC DEVELOPMENT GROWTH ENGINE and the MEMPHIS AND SHELBY COUNTY PORT COMMISSION named as additional insured. This policy will fully protect Lessors from any and all claims for the damages to property or persons, including death, which may arise from Lessee's or Sublessee's operations on the leased premises or adjacent thereto, whether such operations are by Lessee or by anyone directly or indirectly employed or licensed by Lessee or acting under Lessee's authority or orders. Further, this policy shall be written with insurance companies satisfactory to the MEMPHIS AND SHELBY COUNTY PORT COMMISSION. (See attached Insurance Information

sheet.) All terms and conditions are subject to modification prior to final contract approval by the Board of Directors of the Memphis and Shelby County Port Commission.

NOTE: Please attach the following items to your proposal:

- Payment proposal
- A letter of financial stability from a primary financial institution (letters from commodities organizations promising to purchase harvested products will not be accepted)
- A list of financing institutions for the past 10 years, including contact information.
- Accounting statements for the last 3 years' farming operations.
- Detailed listing of equipment available for use on the property described.
- A written plan describing the proposed use of the land (i.e. the crops to be planted, how many acres, and the amount of crops in government programs), and the number of personnel to be committed to the operation.
- A copy of existing insurance policies covering farming operation liability

MEMPHIS AND SHELBY COUNTY PORT COMMISSION INSURANCE REQUIREMENTS INFORMATION SHEET

The following information needs to be incorporated in the insurance policy and/or shown on the certificate to be provided to the Memphis and Shelby County Port Commission.

Workers' Compensation

Workers' Compensation and Employers Liability meeting statutory limits mandated by State and Federal Laws.

Auto Liability

Automobile Liability (owned, non-owned and hired vehicles) for bodily injury and property damage in the amount of \$2,000,000 each accident.

Commercial General Liability

Commercial General Liability including coverage for Premises-Operations, Independent Contractors', Products-Completed Operations, Contractual Liability, Personal Injury and Broad Form Property Damage (including Explosion, Collapse and Underground Hazards) in the amount of **\$2,000,000** per occurrence.

Certificate Requirements

- The Memphis and Shelby County Port Commission, The City of Memphis, The County of Shelby and the Economic Development Growth Engine (EDGE) shall be named as **additional insured**.
- Cancellation clause **30** days notice
- Cancellation clause amended as follows: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT