

FARM LEASE
CITY OF MOBERLY, MISSOURI

THIS LEASE is made this ____ day of _____, 2023, between the City of Moberly, Missouri, (hereinafter “City”) a municipal corporation and Franklin Farms, LLC a Missouri Limited Liability Company located at 1788 County Road 1765, Jacksonville, MO 65260 (hereinafter “Lessee” and together with the “City” may be referred herein as the “Parties”).

RECITALS

- A. City is a Third-Class statutory city duly organized and validly existing under the laws of the state of Missouri with the power to conduct municipal business pursuant to Missouri law and the Ordinances duly enacted by the Moberly City Council.
- B. Lessee owns and operates various farming locations and is the successful bidder of a request for bids solicited by the City to farm acreage in and around the Omar N. Bradley Airport in Moberly, MO.
- C. The property leased hereunder is generally described as approximately 155 acres located around or near the Omar N. Bradley Airport in Section 24, Township 54, Range 14 in Randolph County, Missouri (hereinafter the “Premises”)
- D. The parties enter into this Farm Lease (hereinafter the “Agreement”) to specifically set forth the terms of this Agreement.

AGREEMENT

SECTION 1. RECITALS

The above stated Recitals are true and correct and are incorporated herein and made a part of this Lease Agreement.

SECTION 2. PREMISES

City hereby leases to Lessee, and Lessee hereby leases from City, the Premises. Lessee accepts the Premises “As Is,” subject to all applicable municipal, state and federal laws, ordinances, regulations and policies governing and regulating the use of the Premises, and any covenants or restrictions of record. Lessee acknowledges that City has made no representations or warranties as to the physical state of the Premises, or any suitability of the Premises.

2.1 Waiver. Lessee hereby waives any claims for damages for any injury or inconvenience or interference with Lessee’s use and occupancy of the Premises, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by City’s exercise of its rights under this Agreement or by the City’s actions taken for management and protection of the City’s property, resources, airport operations and visitors.

2.2 Ownership of Premises. This Agreement does not vest in Lessee any fee interest in the Premises. Title to the Premises at all times is with and shall remain solely with City.

2.3 Improvements. Lessee agrees to make improvements to the Premises during the term of this lease consisting of significant erosion repair to the three (3) areas highlighted at the SE end of the runway as shown on the attached Exhibit 1. Lessee shall also repair the designated eroded areas to bring them into compliance with FSA guidelines. This repair work shall be at no additional cost to the City in consideration of this five (5) year Agreement.

SECTION 3. TERM

3.1 Five Years. The term of this lease shall be for five years beginning on January 1, 2024, and ending on December 31, 2028.

3.2 Abandonment. Lessee shall occupy the Premises during the entire Lease Term, as described herein. If it fails to do so, Lessee shall be in default for abandoning the Premises.

SECTION 4. RENTAL AMOUNT

4.1 Annual. The agreed upon rental amount for the Premises is \$216.00 per acre per year for 155 acres. \$108.00 per acre shall be paid on March 31 and November 31 during each year of the lease term. Lessee may seek to participate in the United States Department of Agriculture (“USDA”) Commodity Credit Corporation Agricultural Risk Coverage Program during the term of this Agreement. If during the term of this Agreement, it is determined by the USDA/FSA that the actual number of acres farmed by Lessee is other than 155 acres then the rental amount shall be adjusted accordingly.

SECTION 5. LESSEE’S PERMITTED USE AND ACTIVITY

5.1 Use. Lessee may utilize the Premises only for the purposes necessary to conduct its usual farming operations.

5.2 Alterations. Lessee shall not make any alterations of any nature to the Premises without the written permission of the City.

SECTION 6. CITY’S OBLIGATIONS

6.1 City Inspection. City shall, at all reasonable times, have the full and unrestricted right to enter the Premises for the purpose of inspecting the leased area, for maintenance and to determine compliance with the terms of this Agreement.

6.2 Maintenance. City agrees to maintain the leased Premises in the same condition as when leased, ordinary wear and tear excepted, during the term of this Agreement.

SECTION 7. ASSIGNMENT

7.1 Lessee shall not assign, hypothecate, or in any manner transfer any interest in this Agreement to any person or entity directly or indirectly, by operation of law or otherwise, without first securing City's express written approval of such transfer.

SECTION 8. LIABILITY

8.1 To the extent governed by applicable state law, each party will be responsible for its own acts and results arising from those actions, and shall not be responsible for the acts of the other party and results arising from those actions.

8.2 Each party agrees, to the extent allowed by law, that it will assume all risk and liability to itself and its agents and employees for any cause of action resulting from any operations or conduct of its agents or employees under this Agreement. Each party's liabilities shall be governed by applicable state law.

8.3 Lessee agrees to indemnify and hold the city harmless for any claim, causes of action, or judgement resulting from Lessee's use of the property or injury or damage to any third party.

SECTION 9. INSURANCE

9.1 Lessee. Lessee shall be responsible for maintaining Commercial General Liability Insurance for its operations on the premises with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate.

9.2 Immunities. The parties hereto understand and agree that City is relying on and does not waive or intend to waive by any provision of this Agreement, any monetary limitations or any other applicable sovereign, governmental, or official immunities and protections provided by the state of Missouri, from time to time amended, or otherwise available to City, or its elected officials or employees.

SECTION 10. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this lease Agreement by Lessee:

- A. The failure by Lessee to make any payment of Rent; or any other payment required to be made by Lessee hereunder, as and when due, where such failure shall continue for a period of ten (10) calendar days after written notice from City to Lessee.
- B. The failure by Lessee to comply with any other term of this Agreement.
- C. An unapproved or unauthorized transfer of any interest acquired under this Agreement.
- D. The discovery by City that any material information provided by Lessee related to this Agreement is materially false.

SECTION 11. REMEDIES

In the event of any material default or breach by Lessee, City may at any time thereafter, with or without notice or demand and without limiting City in the exercise of any right or remedy which City

may have by reason of such default or breach, avail itself of the following remedies, which are cumulative and not exclusive:

- A. City may recover possession of the leased Premises by any lawful means available to it, including self-entry, in which case this lease Agreement shall terminate immediately and Lessee shall immediately remove all personal property from the Premises. If, after thirty days' notice in writing, Lessee shall fail to remove personal property City may remove such property to another location with Lessee assuming any risk of loss or damage to such property.

SECTION 12. TERMINATION

Upon notice of termination, Lessee shall be obligated to pay immediately any Rent, obligations or other fees due and owing to City. By the date given for termination, Lessee shall vacate the Premises and immediately remove all personal property.

If Lessee fails to vacate the Premises or fails to remove all personal property from the Premises, City may enter and recover possession. City may also, at its election, dispose of any remaining personal property and charge all costs associated with such disposal to Lessee. City shall deem any personal property remaining on the Premises as having been abandoned by Lessee.

SECTION 13. NOTICES

All notices, demands, requests or approvals to be given under this lease Agreement shall be given in writing and shall be by hand delivery, overnight mail service, registered or certified mail, or regular first-class mail. All notices, demands, requests or approvals from Lessee to City shall be addressed to:

City Manager
101 West Reed Street
Moberly, MO 65270

All notices, demands, requests or approvals from City to Lessee shall be addressed to:

John Luecke
1788 County Rd. 1765
Jacksonville, MO 65260

Jeremy Luecke
3009 Douglas Road
PO Box 1256
Florissant, MO 63031

SECTION 14. MUNICIPAL AUTHORITY

City may only act through its City Council to approve this Agreement therefore execution of this Agreement is contingent upon approval by the Moberly City Council.

SECTION 15. GOVERNING LAW

This lease Agreement has been made and shall be construed and interpreted in accordance with the laws of the State of Missouri. Venue may be appropriate in the Randolph County Circuit Court.

SECTION 16. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED

Lessee agrees to comply with Missouri Revised Statute Section 285.530 in that Lessee shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri.

SECTION 17. PUBLIC RECORDS ACT

City is subject to the Missouri Sunshine Law. The Parties agree that this Agreement shall be interpreted in accordance with the provisions of the Missouri Sunshine Law.

SECTION 18. ENTIRE AGREEMENT

This Agreement represents the entire agreement between the Parties relative to the lease. All previous or contemporaneous contracts, representations, promises and conditions relating to the lease are superseded.

SECTION 19. COUNTERPARTS

This lease Agreement may be executed in several counterparts, each of which is an original, and all of which together constitute but one and the same document.

SECTION 20. NO PROMISE OF FUNDING

Other than as specifically set forth herein, this Agreement is not an obligation or commitment of funds, nor a basis for transfer of funds. Each party shall bear its own costs in relation to this Agreement. Expenditures by each party will be subject to applicable budgetary processes and to availability of funds pursuant to applicable laws, regulations, and policies. The parties expressly acknowledge that this in no way implies that any appropriation, tender, or allocation of funds for such expenditures.

IN WITNESS WHEREOF, the parties have executed this lease Agreement on the date set forth above.

APPROVED AS TO FORM:

CITY OF MOBERLY, MISSOURI LESSOR

Randall D. Thompson
City Attorney

By: _____
Randall D. Thompson
City Manager

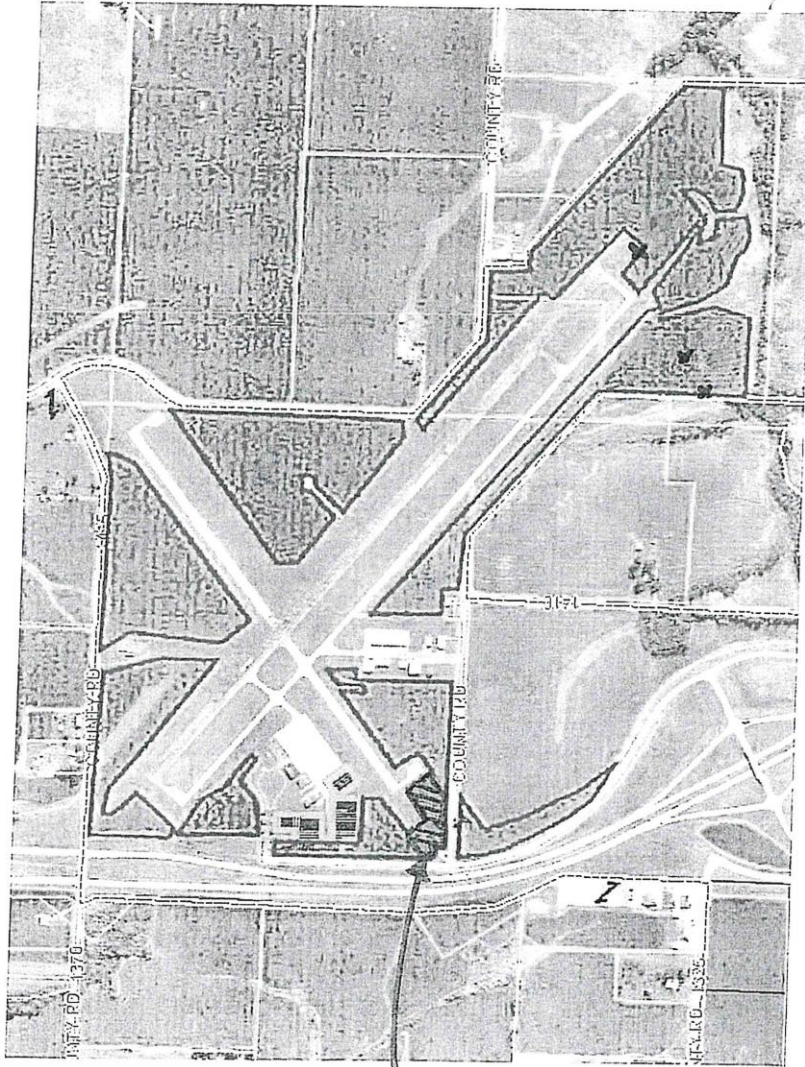
ATTEST:

Shannon Hance, MRCC, City Clerk

FRANKLIN FARMS, LLC LESSEE

John Luecke, Member/Manager

erosion areas



2.5
feet