

**September 2, 2016**  
**INVITATION FOR BID N62473LO10593**  
**DEPARTMENT OF THE NAVY AGRICULTURAL LEASE**  
**PARCEL 4A02 NAVAL AIR STATION FALLON, FALLON, NEVADA**

This Invitation for Bid (IFB) package consists of four parts:

1. Invitation for Bid (IFB)
2. Instructions to Bidders
3. Department of the Navy Lease for Agricultural Purposes
4. Bid Form

**DESCRIPTION**

The Department of the Navy proposes to outlease Government-owned land for agricultural purposes at the following parcel of real property at Naval Air Station Fallon, Fallon, Nevada (hereinafter called the Station) under the terms outlined below. It is the intent of this Invitation for Bid (IFB) to provide criteria for evaluation of bids submitted.

Parcel	Acres	IFB Number	Lease Term
4A02	+/- 110.40 Farmable +/- 260.40 Rangeland	N62473LO10593	Firm Term: January 1, 2017 – December 31, 2021 Option (1): January 1, 2022 – December 31, 2026

Proposed Department of the Navy Lease for Agricultural Purposes N6247317RP00001 is enclosed in this IFB. Bidders shall review all provisions, clauses, terms, exhibits, and appendices prior to submitting a bid, as they will be strictly enforced.

The amount of the bid represents the annual cash rental amount to be paid under the Lease. In addition to rent, the successful bidder must complete, at the bidder's expense, all non-reimbursable soil and water conservation work (i.e. ditch maintenance, weed control, etc.) required for the leased parcel by the time specified in the Soil and Water Conservation Plan (Exhibit "B" of the Lease). It is the intent of the Government that the land be utilized in accordance with sound agricultural practices and that the ecological balance is protected to ensure continued productivity of the land while permitting reasonable economic returns to the Lessee. Protection of the Station's resources from deterioration, erosion, fire, weed, and insect infestations or other detriments is considered part of the sound agricultural management to be carried out by the Lessee.

**BIDS and BID OPENING**

All bids must be mailed on the Bid Form in a sealed envelope and delivered no later than **Thursday, September 15, 2016, 10:00 AM, Pacific Time** to Naval Facilities Engineering Command Southwest. Please reference the Instructions to Bidders for submission instructions. Emailed bids and facsimiles will not be allowed. Bidders are responsible for submitting bids, and any modifications or withdrawals, so as to reach the Government office designated in this IFB by the date and time specified.

The bid opening shall be conducted via a live conference call **ONLY on Thursday, September 15, 2016, at 10:00 AM, Pacific Time**. All Bidders have the opportunity to listen to the live conference call bid opening by calling **866-756-2384** and entering password **35876875**, as the conference call center will **NOT be accessible** to the public.

## **AMENDMENTS**

If the IFB is amended, all terms and conditions which are not modified remain unchanged. It is the responsibility of the interested bidders to routinely check the IFB on the Navy Electronic Commerce (NECO) website for any Amendments and/or be added to the Plan Holder List on NECO (see Plan Holder List section below).

Bidders shall acknowledge receipt of any amendment to this IFB by acknowledging the “Amendments” section of the Bid Form.

## **PLAN HOLDER LIST**

If you are a registered user on NECO, you may add yourself to the Plan Holder List. The Plan Holder List will notify you if there are any updates or amendments to the advertisement. To add yourself to the Plan Holder List: after you click on View Solicitation, locate Plan Holder List (below Issue Date) and click on “Add/Del.”

## **FALSE STATEMENTS IN BIDS**

Bidders must provide full, accurate, and complete information as required by this solicitation and its attachments. The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

## **INSTRUCTIONS TO BIDDERS**

### **ELIGIBILITY TO BID ON AND AWARD LEASED PARCELS**

Bids will be accepted from any United States citizen, corporation, partnership, or trust. The Government will evaluate bids in response to this solicitation without discussions. The lease will be awarded to the responsible bidder whose bid, conforming to the solicitation, will be most advantageous to the Government. The total bid shall consist of the initial lease term plus all option periods. The bid will be evaluated on the basis of whether or not it is made by a responsive and responsible bidder. The Government may determine any bid non-responsive, where submitted by a person or entity, who is in breach or default of a material provision of an existing or prior lease at the time of evaluation of bids under this solicitation.

The Government may:

1. Reject any or all bids without a requirement for justification;
2. Accept other than the highest bid;
3. Not award the Lease

### **REVIEW OF ALL DOCUMENTS**

Interested bidders shall review all documents, provisions, clauses, and terms of the Invitation for Bid (IFB) and of each proposed Lease on which interested bidders are bidding.

### **PLAN HOLDER LIST**

If you are a registered user on NECO, you may add yourself to the Plan Holder List. The Plan Holder List will notify you if there are any updates or amendments to the advertisement. To add yourself to the Plan Holder List: after you click on View Solicitation, locate Plan Holder List (below Issue Date) and click on "Add/Del."

### **BID FORM**

Interested bidders shall read and complete all sections required on the Bid Form:

1. Name of Bidder
2. Rent
3. Payment Cycle
4. Bid Deposit
5. Acknowledgements
6. Amendments
7. Execution by Bidder

### **BID DEPOSIT**

Interested bidders must enclose a deposit of 25% of the annual rent or \$1,500.00, whichever is GREATER, in the form of a certified check, cashier's check, or U.S. Postal Service Money Order payable to the "Treasurer of the United States." The bidder should be named as the "remitter" on the deposit. **CASH BID or PERSONAL CHECKS WILL NOT BE ACCEPTED.** The deposit of a successful bidder will be retained by the Government and applied as partial payment of the first year's rent. In the event the deposit check of the successful bidder exceeds the first year's rent, the successful bidder shall submit the correct rental amount and the bid deposit check shall be returned upon execution of the Lease. Deposits of

unsuccessful bidders will be returned without interest, as promptly as possible after award has been made to the successful bidder.

## **SUBMISSION OF BID**

The Bid must be submitted in a SEALED ENVELOPE or package, marked and addressed as in the following example:

[Bidder name and address here]

**Naval Facilities Engineering Command SW  
Attn: Ms. Lorna Timog, Desert IPT Real Estate, Code RJV10  
1220 Pacific Highway  
San Diego, CA 92132-5190**

**Bid For:**

**NASF Fallon, Nevada  
Agricultural Lease IFB N62473LO10593  
Parcel 4A02**

**To Be Opened:**

**10:00 A.M., Pacific Time  
Thursday, Sept 15, 2016**

In the event an interested bidder intends to bid on multiple leases, individual bids and bid deposits must be submitted for each Lease. In addition, each bid must be submitted individually in a sealed envelope or package as shown in the sample above.

## **BIDDER'S CHECK LIST**

- Completed Bid Form
- Bid deposit (certified check, cashier's check, or U.S. Postal Service Money Order)
- Bid Form and bid deposit are submitted in a SEALED envelope or package no later than time and date specified. No late bids will be accepted.

Station: NAS Fallon, Nevada  
Parcel Number: 4A02  
Contract Number#: N6247317RP00001

**DEPARTMENT OF THE NAVY  
LEASE FOR AGRICULTURAL PURPOSES**

LEASE between \_\_\_\_\_ hereinafter called "LESSEE," and the United States of America, acting by and through the Department of the Navy, represented by the Commanding Officer, Naval Facilities Engineering Command Southwest, San Diego, California, hereinafter called the "GOVERNMENT."

1) **LEASED PROPERTY:** Under the terms and conditions of this "LEASE," the GOVERNMENT hereby leases to the LESSEE a portion of the NAVAL AIR STATION, FALLON, NEVADA, hereinafter called the "STATION". That portion is hereinafter called the "LEASED PROPERTY" and is described as follows:

a) Parcel 4A02, consisting of approximately 351 acres, is identified and delineated in Exhibit "A".

b) The 351 acres consists of the following:

Irrigated Cropland (water-righted)	+/- 110.40 acres
Rangeland	+/- 240.60 acres
 Total farmable acres	 +/- 110.40 acres

2) **TERM:** The term of this LEASE will be for the period beginning January 1, 2017 and ending on December 31, 2021, UNLESS sooner terminated or extended in accordance with Clause 4, OPTION TO EXTEND THE TERM OF THE LEASE.

3) **RENT:** LESSEE shall pay the GOVERNMENT rent in the amounts set forth below:

Lease Term	Rent Per Acre (Farmable)	Annual Rent	Annual Rent X 5 years
One (1) five-year Term Jan 1, 2017 – Dec 31, 2021	\$_____ x 110.40 AC	\$_____	\$_____
One (1) five year Option Jan 1, 2022 – Dec 31, 2026	\$_____ x 110.40 AC	\$_____	\$_____
<b>Total Annual Rent for Lease Term (Not to exceed Ten years)</b>			\$_____

- a) LESSEE agrees to pay the GOVERNMENT an annual rental in the amount of \_\_\_\_\_ payable in advance at the rate of \_\_\_\_\_ per annum, semi-annum, quarterly (circle one) by check or postal money order made payable to the **Disbursing Officer – DFAS Cleveland** and delivered to the Real Estate Contracting Officer, subject to any allowance for credit for work approved and performed pursuant to Clause 8 of this LEASE. Rental payments are acknowledged by the GOVERNMENT according to the date that the payment is received.
- b) As additional consideration, the LESSEE also hereby **agrees to pay** 100% of the annual irrigation charges, and associated operations and maintenance costs due by the date established by the Truckee Carson Irrigation District (TCID), as well as any additional and/or supplemental fees, charges, or related requests for payment that are assessed and associated with the leased premises, received from TCID and/or its successors and assigns, regardless of the amount of irrigation waters delivered to this parcel. The Navy does not make any guarantees regarding the quantity or the quality of irrigation water available from TCID. The TCID normal water allocation is 3.5 acre feet per acre.
- c) If TCID water allocation is **equal or less than 60%**, a rental rate **adjustment** shall be applied. The revised rental rate shall be determined by the allocation set by TCID. Upon final allocation determination, the GOVERNMENT shall initiate a unilateral modification to the LEASE to adjust the annual rent accordingly.
- 4) **OPTION TO EXTEND THE TERM OF THE LEASE**: This LEASE may be renewed at the sole option of the Government for one (1) additional 5-year option period, under the same terms and conditions contained herein. The GOVERNMENT shall exercise its options to extend the term of the LEASE by giving written notice thereof to the LESSEE at least one-hundred eighty (180) days prior to the expiration of the LEASE's initial three year term, or any one-year extension thereof. Any extension of the LEASE pursuant to this Clause shall not otherwise modify the terms and conditions of the LEASE set forth or referenced herein.
- 5) **USE**: The primary use of the STATION is for military activities. The agricultural LEASE operation is secondary and subject to the military requirements for the land. The LEASED PROPERTY shall be used solely for agricultural purposes with a limited possibility of grazing **ONLY** upon request and **written** approval from the Station **as a temporary, short duration weed control measure**. Grazing approval will be based on current conditions and forage availability. Human occupancy is not allowed. Commercial wholesale or retail sales operations are not allowed on the STATION. It is the express intent of the GOVERNMENT not to let the water-righted land lay fallow, but rather to have the available irrigation waters used to the maximum extent possible with sound agricultural practices. All uses of the lands of the STATION shall be in accordance with and in full compliance with all applicable federal, state and local environmental laws, regulations and/or ordinances, including but not limited to laws, regulations and/or ordinances concerning air emissions, water pollution prevention, and permitting requirements.
- 6) **PERFORMANCE BOND OR SECURITY**: To secure the faithful performance of LESSEE'S obligations hereunder, LESSEE shall provide the GOVERNMENT with a security deposit in the amount equal to **50% of the annual rent shown in Clause 3 (a) or \$5,000.00**, whichever is **GREATER**. If the GOVERNMENT shall at any time determine that an increase in the amount of security is necessary to make same commensurate with LESSEE's obligations hereunder,

LESSEE shall furnish additional security promptly upon request. The Security Deposit provided shall be in the form of either:

- a) Certificate of Deposit:
  - i. Certificate of Deposit shall be accompanied by a Security Agreement, as provided by the Government, fully executed by LESSEE and GOVERNMENT AND acknowledged by the financial institution issuing the Certificate of Deposit; and
  - ii. Certificate of Deposit shall be made payable to the Lessee and the "Department of the Navy"; or
- b) Performance Bond issued by a Corporate Surety and satisfactory to the GOVERNMENT in all respects.
  - i. Performance Bond shall be payable to the "Treasurer of the United States."

If LESSEE shall fully and faithfully comply with all the terms and conditions of this LEASE, the security deposit shall be returned to the LESSEE upon the expiration or earlier termination of the LEASE.

#### 7) **INSURANCE REQUIREMENTS:**

Prior to award of the LEASE, the LESSEE shall submit a certificate of insurance meeting the following requirements. Public Liability and Property Damage shall meet the following requirements at a minimum:

\$2,000,000	Third Party Property Damage
\$3,000,000	Third Party Personal Injury Per Person
\$3,000,000	Third Party Personal Injury Per Accident

The policy/certificate of insurance shall contain the following endorsements:

- a) The insurer waives any right of subrogation against the United States of America which might arise by reason of any payment made under this policy.
- b) The GOVERNMENT shall be given thirty (30) days written notice prior to making any material change in or the cancellation of the policy. Please strike out (and initial) any clauses that state "...failure to make such notice imposes no obligation or liability of any kind upon the company, etc..."
- c) The United States of America (Department of the Navy) is added as an additional insured in operations of the policyholder at or from the LEASED PROPERTY at Naval Air Station, Fallon, Nevada.
- d) This insurance certificate is for use of the LEASED PROPERTY at Naval Air Station, Fallon, Nevada, Contract number **N6247317RP00001** for **Parcel 4A02**.
- e) "Loss, if any, under this policy shall be adjusted with (name of LESSEE) and the proceeds at the election of the GOVERNMENT, shall be payable to (name of LESSEE), any proceeds not paid to (name of LESSEE) shall be payable to the Treasurer of the United

States.”

If, at any time, the GOVERNMENT determines that the insurance maintained by the LESSEE does not in fact adequately protect the GOVERNMENT, LESSEE may be required to carry such other insurance in such form, for such amounts and for such periods of time, and with such insurers as the GOVERNMENT may from time to time require or approve.

8) **CONSERVATION AND MAINTENANCE WORK:**

- a) The LESSEE, shall at their own cost and expense, assume full responsibility for the following conservation and maintenance obligations in accordance with the specifications and guidelines set forth in Clauses 5 (a) (1) through (12) of the Soil and Water Conservation Plan of this LEASE, attached hereto as Exhibit “B.”
- b) The LESSEE agrees to perform reimbursable Conservation and Maintenance related work as approved or directed by the GOVERNMENT. Upon prior approval and subsequent completion of such work and the acceptance of same by the GOVERNMENT, the LESSEE shall receive payment in full for the "Actual Costs" of work performed, or shall receive rent credit in the same amount against rents payable under the terms of this LEASE; provided, however, that in no event shall such rent credit exceed the total amount of cash rent called for in the LEASE.
- c) "Actual Costs" as used herein shall mean the sum of:
  - i) direct labor costs, and;
  - ii) direct material costs, when LESSEE has incurred such costs directly in the performance of any Conservation and Maintenance Work approved or directed by the Real Estate Contracting Officer. When LESSEE contracts with third parties for performance of any item of Conservation and Maintenance Work, "Actual Costs" as used herein, shall mean the amount of such contracts that have been approved in advance by the Real Estate Contracting Officer.
- d) Prior to commencement of any Conservation and Maintenance Work for which the LESSEE is to receive credit or payment from the GOVERNMENT, the LESSEE must have a Modification of Contract executed by the Real Estate Contracting Officer setting forth the terms, conditions and the amount of compensation to be paid upon completion of the reimbursable work to the satisfaction of the GOVERNMENT. The following procedures apply:
  - i) GOVERNMENT provides LESSEE with project specifications and written notice to obtain bids.
  - ii) LESSEE obtains a minimum of two bids from qualified contractors and forwards such bids to the Real Estate Contracting Officer. LESSEE may elect to do the work him/herself, and LESSEE then must submit to the Real Estate Contracting Officer an itemized bid proposal covering all aspects of the project. In the event the LESSEE elects to do the work him/herself, no other bids are necessary, provided that the LESSEE's bid price does not exceed the GOVERNMENT'S cost estimate. For each project or service proposed, LESSEE must include with the project or service description an estimated cost to perform the work. The estimated cost shall be broken

down by material, subcontract cost, labor, and overhead.

- iii) Nothing in this LEASE shall preclude the LESSEE from contracting with a third-party contractor for the work. LESSEE shall require any contractor to have a Performance Bond with the penal amount of no less than the estimated cost of the work contracted for. In compliance with Clause 33 (d) (i) of this LEASE, LESSEE shall be solely responsible for obtaining any environmental permits required for the proposed work. Copies of all required environmental and/or construction permits shall be provided to the GOVERNMENT prior to execution of work.
- iv) GOVERNMENT shall review the bids (or single bid proposal if LESSEE elects to do the work him/herself), and if acceptable the GOVERNMENT shall enter into a Modification of Contract with LESSEE authorizing the project. The GOVERNMENT will retain the right to perform a technical review of any proposed work to be performed or personal property to be provided. A GOVERNMENT representative may oversee the work solely for the benefit of the GOVERNMENT, and such GOVERNMENT representative shall confirm satisfactory completion of the work to the Real Estate Contracting Officer. IN NO CASE SHALL LESSEE BEGIN ANY PROJECT WORK PRIOR TO RECEIVING A FULLY EXECUTED MODIFICATION OF LEASE THEREFORE.
- v) A "not to exceed cost ceiling" will be established in the Modification of Contract for the reimbursable project. The Real Estate Contracting Officer may, upon written request, with supporting rational from the LESSEE, increase the "not to exceed cost ceiling." Such request for an increase in said amount must be submitted, in writing, prior to incurring any cost in excess of the said amount and sufficiently in advance to provide for GOVERNMENT review of the request and, in any event, not less than ten (10) days prior to the date authorization is required. The LESSEE shall not be obligated to incur costs in excess of the "not to exceed cost ceiling."
- vi) Upon receipt of a fully executed Modification of Contract, LESSEE shall begin work coordinating all details of the work including starting dates and times, and the location of the work with the STATION Point of Contact (POC), listed in this LEASE in Clause 35 (a) (ix) (c).
- vii) Upon completion of the work, the LESSEE shall submit to the GOVERNMENT an invoice signed by the LESSEE stating the full amount due for the work performed, together with all supporting documents, all bills of sale; receipts for labor and materials used in connection with the project; and in the event the LESSEE performed the work, an itemized bill for all labor and materials.
- viii) The incurred cost of performing such project or service will be subject to GOVERNMENT audit and should such audited allowable cost be less than the "not to exceed cost ceiling" amount authorized, then the amount of reimbursement or credit towards rent reduction to LESSEE shall be the audited, allowable incurred cost.
- ix) The GOVERNMENT shall inspect the work for adherence to specifications and quality of workmanship, and will review the receipts and bills of sale for adherence to the previously approved bid estimates. The Real Estate Contracting Officer must provide a written final acceptance of the work performed in order for LESSEE to obtain rent reduction credit for the work performance, or reimbursement for actual costs. If the project is acceptable, the Real Estate Contracting Officer will make arrangements for

appropriate rental credit or reimbursement to the LESSEE in accordance with applicable provisions of this LEASE.

- x) Any bills of sale, purchase receipts, written warranty agreements and other indicia or documents of ownership shall be provided to the GOVERNMENT upon its acceptance of the improvement or personal property. Written warranties shall include but not be limited to a warranty that work performed conforms to the contract requirements and is free of any defect in equipment, material or design furnished or workmanship performed, and that the LESSEE or LESSEE's contractor will remedy any failure to conform or any defect. Additionally, warranty shall provide that LESSEE or LESSEE's contractor shall remedy any damage to GOVERNMENT owned or controlled real or personal property when that damage results from either contractor failure to conform to contract requirements or any defect of equipment, material, workmanship or design furnished. All warranties shall name the GOVERNMENT as an additional beneficiary. LESSEE shall enforce all warranties for the benefit of the GOVERNMENT, if directed to do so by the GOVERNMENT.
  - xi) Upon termination of this LEASE pursuant to Clauses 13 and 14, hereof, a final accounting will be performed and the balance of any rent accrued and payable to the GOVERNMENT will be due on demand. Notwithstanding termination, the GOVERNMENT reserves the right to have a final accounting at any time during the course of the LEASE, and to request that the value of any rent accrued up to that date and not already contractually obligated to any specific project or service to be performed, be paid to the GOVERNMENT on demand. Upon termination, at the GOVERNMENT'S option, LESSEE shall complete any work or service already contracted for, or if otherwise directed by GOVERNMENT, cease all project work, terminate any contract(s) for such work, and pay all accrued rent.
  - xii) All improvements constructed or installed under this clause are the property of the GOVERNMENT and shall remain in place and intact upon the expiration or earlier termination of this LEASE. Should the LESSEE fail to perform such work (either him/herself or via a contract), the GOVERNMENT may arrange for the work to be completed and LESSEE shall be required to reimburse the GOVERNMENT for costs incurred.
- 9) **GENERAL MAINTENANCE OBLIGATION:** LESSEE, at its own expense, shall so protect, preserve, maintain and repair the LEASED PROPERTY, and that at all times be kept in at least as good condition as when received, less ordinary wear and tear and/or loss or damage for which LESSEE is not specifically liable hereunder.
- 10) **RISK OF LOSS-INSURANCE:**
- a) LESSEE shall bear all risk of loss of or damage to the LEASED PROPERTY arising from any cause whatsoever, with or without fault by LESSEE; provided, however, that LESSEE's liability for any loss or damage resulting from risks expressly required to be insured against under the LEASE shall not exceed the amount of insurance so required or the amount actually procured and maintained, whichever shall be the greater; provided, further, that maintenance of the required insurance shall effect no limitation on LESSEE's liability with respect to any loss or damage resulting from the willful misconduct, lack of good faith, or negligence of LESSEE or any of its officers, agents, servants, employees, subtenants, licensees, and/or invitees.

- b) LESSEE shall procure and maintain, at its own expense, insurance on the LEASED PROPERTY in such initial amounts and types as may exceed, but shall not be less than, the minimum amounts and types specified in Clause 7 hereof. However, LESSEE shall provide, maintain, change or discontinue such insurance as the Local Government Representative may from time to time require and direct; provided, LESSEE's liability for loss of or damage to the LEASED PROPERTY is modified accordingly; Provided, further, that if any insurance requirement is so changed an equitable adjustment shall be made in the amount of the Rent or Maximum Amount to be Expended specified in Clause 3 or 8 hereof so as to reflect any resultant savings or increased cost to LESSEE.
- c) All insurance, which this LEASE requires LESSEE to carry on the LEASED PROPERTY, shall be in such form, for such amounts, for such periods of time and with such insurers as the GOVERNMENT may from time to time require or approve. Each policy of insurance shall contain a provision for thirty (30) days written notice to the Real Estate Contracting Officer prior to the making of any material change in or the cancellation of the policy. LESSEE shall deliver promptly to the Real Estate Contracting Officer a certificate of insurance or a certified copy of each policy of insurance required by this LEASE, and LESSEE shall also deliver to the Real Estate Contracting Officer, no later than thirty (30) days prior to the expiration of any such policy, a certificate of insurance or a certified copy of each renewal policy covering the same risks. All insurance required or carried by LESSEE on any of the LEASED PROPERTY shall be for the protection of the GOVERNMENT and LESSEE against their respective risks and liabilities in connection with the LEASED PROPERTY. Each policy of insurance shall name both LESSEE and the United States of America (Department of the Navy) as the insured, and each policy of insurance against loss of or damage to the LEASED PROPERTY shall contain a loss payable clause reading as follows:
- i. "Loss, if any, under this policy shall be adjusted with (name of LESSEE) and the proceeds, at the election of the GOVERNMENT, shall be payable to (name of LESSEE); any proceeds not paid to (name of LESSEE) shall be payable to the Treasurer of the United States."
- d) In the event that any item or part of the LEASED PROPERTY shall require repair, rebuilding or replacement resulting from loss or damage, the risk of which is assumed by LESSEE under paragraph (a) of this Clause, LESSEE shall promptly give notice thereof to the Real Estate Contracting Officer and, to the extent of its liability as provided in paragraph (a) thereof, shall, upon demand, either compensate the GOVERNMENT for such loss or damage, or rebuild, replace or repair the item or items of the LEASED PROPERTY so lost or damaged, as the GOVERNMENT may elect. In the event that the GOVERNMENT shall direct LESSEE to effect any repair, rebuilding or replacement which the LESSEE is required to effect pursuant to this paragraph, the GOVERNMENT shall direct the payment to LESSEE of so much of the proceeds of any insurance carried by LESSEE and made available to the GOVERNMENT on account of loss of or damage to any item or part of the LEASED PROPERTY as may be necessary to enable LESSEE to effect such repair, rebuilding or replacement. In the event the GOVERNMENT shall elect not to require LESSEE to repair, rebuild or replace any item or part of the LEASED PROPERTY lost or damaged, LESSEE shall promptly pay to the GOVERNMENT out of any insurance proceeds collected by LESSEE such portion thereof as may be allocable to loss of or damage to the LEASED PROPERTY. When compliance with a GOVERNMENT request to effect any repair, rebuilding or replacement of any lost or damaged item or part

of the LEASED PROPERTY would involve the incurring of costs in excess of LESSEE's liability for such loss or damage under this Clause, LESSEE shall be under no obligation to effect same until after a satisfactory agreement has been reached between the GOVERNMENT and LESSEE with regard to GOVERNMENT reimbursement of such excess of costs to LESSEE.

- 11) **REPRESENTATIONS**: LESSEE has examined, knows and accepts the condition and state of repair of the LEASED PROPERTY and the STATION of which it forms a part, and acknowledges that the GOVERNMENT has made no representation concerning such condition and state of repair, nor has the GOVERNMENT made any agreement or promise to alter, improve, adapt, repair or keep in repair the same, or any item thereof or thereupon, which has not been fully set forth in this LEASE, which contains all the agreements made and entered into between the LESSEE and the GOVERNMENT.
- 12) **SUBJECTION TO EXISTING AND FUTURE EASEMENTS AND RIGHTS OF WAY**: This LEASE is subject to all outstanding easements and rights of way over, across, in and upon the LEASED PROPERTY, or any portion thereof, and to the right of the GOVERNMENT to grant such additional easements and/or rights of way over, across, in and upon the LEASED PROPERTY as the GOVERNMENT shall determine to be in the public interest; provided, that any such additional easement or right of way shall be conditioned on the assumption by the Grantee thereof of liability to LESSEE for such damages as LESSEE shall suffer for property destroyed or property rendered unusable on account of Grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such easements and rights of way as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair, or replacement of facilities located thereon, and to any Federal, State or local official engaged in the official inspection thereof such reasonable rights of ingress and egress over the LEASED PROPERTY as shall be necessary for the performance of their duties with regard to such facilities.
- 13) **TERMINATION BY GOVERNMENT**:
- a) The GOVERNMENT shall have the right to terminate this LEASE, at any time, without prior notice, and regardless of any lack of breach by LESSEE of any of the terms and conditions of this LEASE. In the event of termination for any reason not involving a breach by LESSEE of the terms and conditions of the LEASE the GOVERNMENT shall make an equitable adjustment of any advance rentals paid by the LESSEE hereunder. If the GOVERNMENT's use of the Leased Property does not require immediate possession thereof, LESSEE shall be permitted, within such time as the Real Estate Contracting Officer shall prescribe to harvest, gather and remove from the Leased Property such crops as can be so harvested and removed, but if the GOVERNMENT'S requirements necessitate immediate repossession of the Leased Property, so as to preclude LESSEE from such harvesting and removal of any growing or matured crops. LESSEE hereby specifically releases, remises, and forever discharges the GOVERNMENT from any and all liability or claims of loss or damage of any nature arising out of such termination and repossession, including, but not limited to destruction of, diminution in value of, or inability to harvest any growing crops.
  - b) In the event that the GOVERNMENT shall elect to terminate this LEASE on account of the breach by LESSEE of any of the terms and/or conditions of this LEASE, no adjustment in advance rentals paid by LESSEE shall be made, and the GOVERNMENT shall be entitled

to recover and LESSEE shall pay to the GOVERNMENT:

- i. The costs incurred in resuming possession of the LEASED PROPERTY.
- ii. The costs incurred in performing any obligation on the part of LESSEE to be performed hereunder.
- iii. An amount equal to the aggregate of all rents, Long Term Maintenance Obligation and charges assumed hereunder and not theretofore paid or satisfied, less the net rentals, if any, collected by the GOVERNMENT on the reletting of the LEASED PROPERTY, which amounts shall be due and payable at the time when such rents, obligations and charges would have accrued or become due and payable under this LEASE.

14) **TERMINATION BY LESSEE:**

- a) LESSEE shall have the right to terminate this LEASE upon ninety (90) days written notice to the Real Estate Contracting Officer in the event of damage to or destruction of all of the improvements on the LEASED PROPERTY or such a substantial portion thereof as to render the LEASED PROPERTY incapable of use for the purposes for which it is leased hereunder; provided:
  - i. the Real Estate Contracting Officer either has not authorized or directed the repair, rebuilding or replacement of the improvements or has made no provision for payment for such repair, rebuilding or replacement by application of insurance proceeds or otherwise, and
  - ii. that such damage or destruction was not occasioned by the fault or negligence of LESSEE or any of its officers, agents, servants, employees, subtenants, licensees and/or invitees, or by any failure or refusal on the part of LESSEE to fully perform its obligations under this LEASE.
- b) The LESSEE has the right to terminate this LEASE at the end of the first year, or at the end of any succeeding year, by providing the GOVERNMENT at least 180 days advance written notice.

15) **SURRENDER:** Upon the expiration of this LEASE or its prior termination, LESSEE shall quietly and peacefully remove itself and all of its property from the LEASED PROPERTY and surrender the possession thereof to the GOVERNMENT; provided, in the event the GOVERNMENT shall terminate this LEASE upon less than thirty (30) days' notice, LESSEE shall be allowed a reasonable period of time, as determined by the Real Estate Contracting Officer, but in no event to exceed thirty (30) days from receipt of notice of termination, in which to remove all of its property from and terminate its operations on the LEASED PROPERTY. During such period prior to surrender, all obligations assumed by LESSEE under this LEASE shall remain in full force and effect; provided, however, that if the Real Estate Contracting Officer shall, in his/her sole discretion, determine that such action is equitable under the circumstances, he/she may suspend, in whole or in part, any further accruals of Rent or Maximum Amount to be Expended between the date of termination of the LEASE and the date of final surrender of the LEASED PROPERTY.

16) **RESTORATION OF LEASED PROPERTY:** Before the expiration of the LEASE, or prior to

surrender of the LEASED PROPERTY if the LEASE has been terminated prior to LEASE expiration (subject to the language below), LESSEE shall restore the LEASED PROPERTY and each item thereof or thereupon to the condition in which it was first received and used by LESSEE, or to such improved condition as may have resulted from any improvement made therein by the GOVERNMENT or by LESSEE, subject however, to ordinary wear and tear and loss or damage for which LESSEE is not expressly liable hereunder; provided, in the event the GOVERNMENT shall terminate this LEASE upon less than thirty (30) days' notice LESSEE shall have thirty (30) days from receipt of notice of termination to accomplish such restoration.

**17) INSTALLATIONS, ALTERATIONS AND REMOVALS:**

- a) It is expressly agreed and understood that LESSEE will make no substantial alterations, additions or betterments to or installations upon the LEASED PROPERTY without the prior WRITTEN APPROVAL of the Real Estate Contracting Officer, and then only subject to the terms and conditions of such approval which may include an obligation of removal and restoration upon the expiration or termination of this LEASE. Except insofar as said terms and conditions may expressly provide otherwise, all such alterations, additions, betterments and installations made by LESSEE shall become the property of the GOVERNMENT when annexed or affixed to the LEASED PROPERTY or any part thereof.
- b) All improvements constructed or installed by the LESSEE on the LEASED PROPERTY, with the limited exception of pumps, holding tanks, motors, portable offices, and other portable equipment, whether constructed or installed at LESSEE's expense or on a reimbursable basis, become the property of the GOVERNMENT upon expiration or earlier termination of the Lease, without any payment being made by the GOVERNMENT, unless prior written approval, in accordance with paragraph (a) of this clause, allows for the removal of such improvements. With regard to pumps, holding tanks motors, portable offices, and other portable equipment, such items must be removed from the LEASED PROPERTY prior to the expiration or termination of this LEASE or any extension thereof. Provided, that in the event of termination by the GOVERNMENT upon less than thirty (30) days' notice, LESSEE may remove such pumps, holding tanks motors, portable offices, and other portable equipment LESSEE has placed upon the LEASED PROPERTY within thirty (30) days from the receipt of notice of termination. All property not so removed shall be deemed abandoned by LESSEE and may be used or disposed of by the GOVERNMENT in any manner whatsoever without any liability to LESSEE, but such abandonment shall in no way reduce any obligation of LESSEE to the GOVERNMENT pursuant to Clause 16 hereof.

- 18) INDEMNIFICATION BY LESSEE GOVERNMENT NON-LIABILITY:** LESSEE covenants that it will indemnify and save and hold harmless the GOVERNMENT, its officers, agents, assignees, licensees and employees for and from and all liability or claims for loss of or damage to any property owned by or in the custody of LESSEE, its officers, agents, servants, employees, subtenants, licensees, or invitees, or for the death of or injury to any of the same which may arise out of or be attributable to the condition, state of repair or LESSEE's use and occupancy of the LEASED PROPERTY, or the furnishing of any utilities or services, or any interruption therein or failure thereof, whether or not the same shall be occasioned by the negligence or lack of diligence of LESSEE, its officers, agents, servants or employees.

**19) UTILITIES AND SERVICES:**

- (a) In the event that the GOVERNMENT shall furnish LESSEE with any utilities and/or

services maintained by the GOVERNMENT which LESSEE may require in connection with its use of the LEASED PROPERTY, LESSEE shall pay the GOVERNMENT the charges therefore in addition to the cash rent (and any other charges/payments) required under this LEASE. Notwithstanding the requirements set forth in Clauses 3 (b) and (c), such charges for utilities and services, and the method of payment thereof shall be determined by the appropriate supplier of such service, in accordance with applicable laws and regulations, on such basis as the appropriate supplier of such service may establish which may include a requirement for the installation of adequate connecting and metering equipment at the sole cost and expense of LESSEE. It is expressly agreed and understood that the GOVERNMENT in no way warrants the continued maintenance or adequacy of any utilities and/or services furnished to the LESSEE. It is also expressly agreed and understood that the GOVERNMENT does not hereby guarantee that it will provide any specific utilities and/or services to the LESSEE.

- 20) **LIENS:** LESSEE shall promptly discharge or cause to be discharged any valid lien, right in rem, claim or demand of any kind, except one in favor of the GOVERNMENT, which at any time may arise or exist with respect to the LEASED PROPERTY or materials or equipment furnished therefore, or any part thereof, and if the same shall not be promptly discharged by LESSEE, the GOVERNMENT may discharge, or cause to be discharged, the same at the expense of LESSEE.
- 21) **ACCESS:** The GOVERNMENT shall have access to the LEASED PROPERTY at all reasonable times for any purposes not inconsistent with the quiet use and enjoyment thereof by LESSEE, including, but not limited to, the purpose of inspection.
- 22) **STATE AND LOCAL TAXES:** In the event that as a result of any future Act of Congress, subjecting GOVERNMENT-owned property to taxation, any taxes, assessments or similar charges are imposed by State or local authorities upon the LEASED PROPERTY (other than upon LESSEE's possessory interest therein), LESSEE shall pay the same when due and payable and this LEASE shall be renegotiated so as to accomplish an equitable reduction in the amount of the Rent of Maximum Amount to be Expended specified in Clause 3 hereof, which reduction shall in no event exceed the amount of such taxes, assessments, or similar charges; Provided, in event the parties hereto are unable to agree within ninety (90) days from the date of the imposition of such taxes, assessments, or similar charges, upon a rental which in the opinion of the Real Estate Contracting Officer constitutes a reasonable return to the GOVERNMENT on the LEASED PROPERTY, the Real Estate Contracting Officer shall have the right to determine the amount of the rental, which determination shall be unilaterally binding on LESSEE, subject to the LESSEE's appeal of such determination, which shall be treated as a dispute in accordance with the provisions of Clause 23 hereof.
- 23) **DISPUTES CLAUSE (July 2002):**
- a) This LEASE is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. § 7101-7109)
  - b) Except as provided in the Act, all disputes arising under or relating to this LEASE shall be resolved under this clause.
  - c) "Claim," as used in this clause, means a written demand or written assertion by the LESSEE or the GOVERNMENT seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of LEASE terms, or other relief arising

under or relating to this LEASE. However, a written demand or written assertion by the LESSEE seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

- d)
- i) A claim by the LESSEE shall be made in writing and, unless otherwise stated in his LEASE, submitted within 6 years after accrual of the claim to the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest for a written decision. A claim by the GOVERNMENT against the LESSEE shall be subject to a written decision by the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest.
  - ii)
    - (a) The LESSEE shall provide the certification specified in Clause 23 (d)(ii)(c) of this clause when submitting any claim exceeding \$100,000.
    - (b) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.
    - (c) The certification shall state as follows:
 

“I certify that the claim is made in good faith; that the supporting data is accurate and complete to the best of LESSEE’s knowledge and belief; that the amount requested accurately reflects the LEASE adjustment for which the LESSEE believes the GOVERNMENT is liable; and that I am duly authorized to certify the claim on behalf of the LESSEE.”
    - iii) The certification may be executed by any person duly authorized to bind the LESSEE with respect to the claim.
  - e) For LESSEE claims of \$100,000 or less, the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest must, if requested in writing by the LESSEE, render a decision within 60 days of the request. For LESSEE-certified claims over \$100,000, the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest must, within 60 days, decide the claim or notify the LESSEE of the date by which the decision will be made.
  - f) The Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest decision shall be final unless the LESSEE appeals or files a suit as provided in the Act.
  - g) If the claim by the LESSEE is submitted to the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest or a claim by the GOVERNMENT is presented to the LESSEE, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the LESSEE refuses an offer for ADR, the LESSEE shall inform the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest, in writing, of the LESSEE’s specific reasons for rejecting the offer.

h) The GOVERNMENT shall pay interest on the amount found due and unpaid from

(i) the date that the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest receives the claim (certified, if required); or

(ii) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

l) The LESSEE shall proceed diligently with performance of this LEASE, pending final resolution of any request for relief, claim, appeal, or action arising under the LEASE, and comply with any decision of the Real Estate Contracting Officer, Naval Facilities Engineering Command, Southwest.

24) **COVENANT AGAINST CONTINGENT FEES:** LESSEE warrants that no person or agency has been employed or retained to solicit or secure this LEASE upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by LESSEE for the purpose of securing business. For breach or violation of this warranty, the GOVERNMENT shall have the right to annul this LEASE without liability or in its discretion to require LESSEE to pay, in addition to the rental or consideration, the full amount of such commission, percentage, brokerage, or contingent fee.

25) **OFFICIALS NOT TO BENEFIT:** No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this LEASE, or to any benefit to arise therefore, but this provision shall not be construed to extend to this LEASE if made with a corporation for its general benefit.

26) **FAILURE OF GOVERNMENT TO INSIST ON COMPLIANCE:** The failure of the GOVERNMENT to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this LEASE shall not be construed as a waiver or relinquishment of the GOVERNMENT's right to the future performance of any such terms, covenants or conditions and LESSEE's obligations in respect to such future performance shall continue in full force and effect.

27) **ASSIGNMENT OR SUBLETTING:**

a) The LESSEE shall not assign this LEASE or any interest therein or any property on the LEASED PROPERTY, nor sublet the LEASED PROPERTY or any part thereof, or any property thereon, nor grant any interest, privilege, or license whatsoever in connection with this LEASE without the prior written consent of the GOVERNMENT.

b) The LESSEE shall submit requests for a sublease in writing within 180 days prior to the anniversary date of the LEASE. Only requests for subleases of the entire parcel will be

considered. Requests for a sublease within the first year of the LEASE shall not be allowed. Requests for a sublease shall include an adequate reason and justification for the requested sublease and shall include payment of a Real Estate Processing Fee in the amount of \$1,500.00. Requests for a sublease shall include a copy of the proposed sublease agreement, and the proposed sublease agreement must provide that all the terms of the original LEASE expressly apply to the sublease agreement. If the request for a sublease is denied, the Real Estate Processing Fee will be returned, without interest, as soon as practicable.

- c) The LESSEE is not permitted under any circumstances to make any assignment of this LEASE, or of any interest therein, or make any assignment of any property on the LEASED PROPERTY.

**28) LABOR PROVISION - EQUAL OPPORTUNITY**

- a) During the term of this LEASE the LESSEE agrees as follows:
  - i. The LESSEE will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The LESSEE will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship. The LESSEE agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the GOVERNMENT setting forth the provisions of this nondiscrimination clause.
  - ii. The LESSEE will, in all solicitations or advertisements for employees placed by or on behalf of the LESSEE, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
  - iii. The LESSEE will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided by the GOVERNMENT, advising the labor union or worker's representative of the LESSEE's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - iv. The LESSEE will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and with the rules, regulations, and orders of the Secretary of Labor.
  - v. The LESSEE will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records, and accounts by the GOVERNMENT (including but not limited to the Secretary of Labor), for purposes of investigating to ascertain compliance with such rules, regulations, and orders.
  - vi. In the event of the LESSEE's noncompliance with the Equal Opportunity clause of this

- LEASE or with any of the above-referenced rules, regulations, or orders, this LEASE may be canceled, terminated or suspended in whole or in part and the LESSEE may be declared ineligible for further GOVERNMENT contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- vii. The LESSEE will include the provisions of Clauses 28 (a) (i) through 28 (a) (vii) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each SUBLESSEE or vendor. The LESSEE will take such action with respect to any SUBLESSEE or purchase order as the GOVERNMENT may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the LESSEE becomes involved in, or is threatened with, litigation with SUBLESSEE or vendor as a result of such direction by the GOVERNMENT, the LESSEE may request the United States to enter into such litigation to protect the interests of the United States. However, the GOVERNMENT makes no guarantee as to whether the GOVERNMENT will enter into or participate in any such litigation.
- b) Convict Labor. In connection with the performance of work required by this LEASE, LESSEE agrees not to employ any person undergoing a sentence of imprisonment at hard labor.
- c) Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701, et. seq.). This LEASE, to the extent that it is a contract of a character specified in the Contract Work Hours and Safety Standards Act and is not covered by the Walsh-Healey Public Contracts Act (41 U.S.C. §§ 6501, et. seq.), is subject to the following provisions and exceptions of said Contract Work Hours Standards Safety Act and to all other provisions and exceptions of said law:
- i. The LESSEE shall not require or permit any laborer or mechanic in any workweek in which he is employed on any work under this contract to work in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek on work subject to the provisions of the Contract Work Hours Standards Act unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of 8 hours in any calendar day or in excess of 40 hours in such workweek, whichever is the greater number of overtime hours. The "basic rate of pay," as used in this clause, shall be the amount paid per hour, exclusive of the LESSEE's contribution or cost for fringe benefits and any cash payment made in lieu of providing fringe benefits, or the basic hourly rate contained in the wage determination, whichever is greater.
  - ii. In the event of any violation of the provisions of paragraph (i) above, the LESSEE shall be liable to any affected employee for any amounts due, and to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph (i) above in the sum of \$10 for each calendar day on which

such employee was required or permitted to be employed on such work in excess of 8 hours or in excess of the standard workweek of 40 hours without payment of the overtime wages required by paragraph (i) above.

29) **GOVERNMENT RULES AND REGULATIONS:** LESSEE shall comply with such rules and regulations regarding STATION security, ingress, egress, safety and sanitation as may be prescribed, from time to time, by the Real Estate Contracting Officer or by the Commanding Officer of the STATION. Such rules and regulations are subject to change at any time.

30) **NOTICES:**

Notices shall be sufficient under this LEASE if made in writing and submitted in the case of LESSEE to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Fax number: \_\_\_\_\_

and in the case of the GOVERNMENT to:

Naval Facilities Engineering Command Southwest  
Attn: Desert IPT, Asset Management  
1220 Pacific Highway, Bldg 130  
San Diego, CA 92132-5190  
FAX: 619-532-1242

Such notice shall be deemed to have been given unless delivered personally, five (5) days after deposited in the U.S. mail, postage pre-paid, certified mail, return receipt requested and addressed as set forth above or to such other address as either party shall have provided to the other by like notice; or upon confirmation of receipt if sent by facsimile on a regular business day and addressed as set forth above; or within twenty-four (24) hours, or the next business day if sent by an overnight delivery service such as FedEx.

31) **INTEREST:** Notwithstanding any other provision of this LEASE, unless paid within thirty (30) days, all amounts that become payable by the LESSEE to the GOVERNMENT under this LEASE (net of any applicable tax credit under the Internal Revenue Code) shall bear interest from the date until paid and shall be subject to adjustments as provided by Part 6 of Appendix E of the Armed Services Procurement Regulation, as in effect on the date of this LEASE. The interest rate per annum shall be the interest rate in effect which has been established by the Secretary of the Treasury pursuant to Public Law 92-41; 85 STAT 97 for the Renegotiation Board, as of the date the amount becomes due as herein provided. Amounts shall be due upon the earliest one of (i) the date fixed pursuant to this LEASE; (ii) the date of the first written demand for payment, consistent with this LEASE, including demand consequent upon default termination; (iii) the date of transmittal by the GOVERNMENT to the LESSEE of a proposed supplemental agreement to confirm completed negotiations fixing the amount; or (iv) if this LEASE provides for revision of prices, the date of written notice to the LESSEE stating the amount of refund payable in connection with a pricing proposal or in connection with a negotiated pricing agreement not confirmed by LEASE amendment.

- 32) **ADMINISTRATION:** The Real Estate Contracting Officer specified in Clause 38 (b) of this LEASE shall, under the direction of the Commanding Officer, Naval Facilities Engineering Command Southwest, have complete charge of the administration of this LEASE, and shall exercise full supervision and general direction thereof insofar as the interests of the GOVERNMENT are affected.
- 33) **ENVIRONMENTAL PROVISIONS:** The following definitions shall apply to this LEASE:
- a) "Hazardous Material" means any substance:
    - i. The presence of which requires investigation or remediation under any applicable federal, state or local statute, regulation, ordinance, order, action, policy or common law; or
    - ii. Which is or becomes defined as a "hazardous waste," or hazardous substance," pollutant or contaminant pursuant to any federal, state or local statute, regulation, rule or ordinance now or hereafter in effect, including but limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) (42 U.S.C. §§ 9601, et seq.) and/or the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. §§ 6901, et seq.).
    - iii. Which is toxic, reactive, explosive, corrosive, ignitable, flammable, infectious, radioactive, carcinogenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Nevada or any political subdivision thereof; or
    - iv. Which contains gasoline, diesel fuel or any other petroleum hydrocarbons, polychlorinated biphenyles (PCBs), asbestos, or urea formaldehyde foam insulation.
  - b) "Environmental Requirements" mean all applicable present and future statutes, regulations, rules, ordinances, codes, licenses, permits, orders, approvals, plans or authorizations and similar items of all governmental agencies, departments, commissions, boards, bureaus, or instrumentalities of the United States, states and political subdivisions thereof and all applicable judicial, administrative and regulatory decrees, judgments and orders relating to the protection of human health or the environment and occupational safety and public health and safety, including but not limited to those pertaining to reporting, licensing, permitting, investigation and remediation of emissions, discharges, release or threatened releases of Hazardous Materials, chemical substances, pollutants, contaminants or hazardous or toxic substances, materials or wastes.
  - c) "Environmental Damages" mean all claims, judgments, damages, fines, liabilities, encumbrances, liens, costs and expenses of investigation and defense of any claim, whether or not such claim is defeated, and of any good faith settlement or judgment, of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, including without limitation reasonable attorneys' fees and consultants' fees, any of which are incurred at any time as a result of (i) the release or threat of release of any hazardous substance, hazardous constituent, hazardous waste, pollutant, or contaminant into the environment; (ii) the existence of Hazardous Materials (A) upon or beneath the Leased Property or (B) migrating or threatening to migrate from the

Leased Property, or (iii) a violation of Environmental Requirements pertaining to the LEASE, and including damages to a person or injury to property or natural resources, occurring upon or off of the Leased Property, and all other costs incurred in connection with the investigation or remediation of such Hazardous Materials or violation of Environmental Requirements, including but not limited to the performance of any cleanup, remediation, removal, corrective action, response, abatement or monitoring work required by any federal, state or local government agency.

d) Covenants and Requirements:

- i. LESSEE and its officers, employees, agents, and contractors shall be solely responsible for obtaining, at no cost to the GOVERNMENT, any and all environmental permits or approvals required for LESSEE's actions with respect to the LEASE, independent of any existing federal, state, and/or local permits held by the Department of the Navy.
- ii. LESSEE and its officers, employees, agents, and contractors shall comply with all Environmental Requirements. LESSEE shall be solely responsible for any and all Environmental Damages, including but not limited to fines; penalties; environmental fees or taxes and any interest thereon; enforcement actions instituted in connection with LESSEE's use, or otherwise imputed to LESSEE by law through others' use or occupancy, of the Leased Property; all costs of corrective action or response to include removal or remedial action incurred by the United States not inconsistent with the National Contingency Plan (NCP); any other necessary costs of response incurred by any other person consistent with the NCP; damages for injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction or loss; and the costs of any health assessment or health effects study carried out under 42 U.S.C. §§ 9604.
- iii. Use, Storage, Treatment and Disposal of Hazardous Materials on Leased Property.
  - (a) The Lessee shall strictly comply with the Environmental Requirements, including but not limited to all applicable Federal, State, and local laws and regulations governing release reporting, use, storage, management, and disposal of Hazardous Materials on the Leased Property. Except as specifically authorized by the Government in writing, Lessee must provide at its own expense of such Hazardous Materials management complying with all Environmental Requirements. Government hazardous waste management facilities will not be available to Lessee. Nor shall Lessee permit its Hazardous Materials to be commingled with waste of the Department of the Navy. Any violations of the requirements of this condition shall be deemed a material breach of this Lease.
  - (b) 10 U.S.C. § 2692 prohibits storage, treatment, or disposal of any material that is toxic or hazardous which is not owned either by the Department of Defense or by a member of the armed forces, on a Department of Defense installation unless the Secretary of the Navy grants a waiver for such activity. Lessee covenants that it shall not store, produce, manufacture, generate, refine, treat, discharge, release, or dispose of upon, about, or beneath the Leased Property any Hazardous Material except as specifically approved by the Secretary of Navy in accordance with 10 U.S.C. § 2692. **This prohibition does not apply to the proper use, temporary accumulation, and associated incidental storage of limited**

**quantities of pesticides, insecticides, herbicides, fungicides, rodenticides, algacides, and fertilizers, or limited quantities of waste generated there from, pursuant to activities authorized under Paragraph 6 of the attached Exhibit "A." Prior to the use of any such chemicals on the Leased Property, Lessee shall comply with the approval requirements of Section 6(A)(5) of the Soil and Water Conservation Plan.**

(c) In the event Lessee desires to engage in an activity prohibited by 10 U.S.C. § 2692 on the Leased Property, Lessee shall notify the Government prior to engaging in such activity, and shall cooperate with the Government in the Government's efforts to obtain the waiver required by 10 U.S.C. § 2692. In addition, prior to implementing any changes in activities conducted under such waiver, Lessee shall notify the Government of any such planned changes and shall cooperate with the Government in obtaining any additional waiver necessitated by the change.

- iv. Except as set forth in Clause 33 (a) (ii), LESSEE covenants that it shall not cause any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath the LEASE except as specifically approved by the Secretary of the Navy in accordance with 10 U.S.C. §2692. If such approval is obtained, LESSEE shall strictly comply with the Environmental Requirements, including applicable Federal, State, and local laws and regulations governing use, storage, and release reporting of Hazardous Materials on the LEASE and the management/disposal of Hazardous Materials. Except as specifically authorized by the GOVERNMENT in writing, LESSEE must provide at its own expense for such Hazardous Materials management complying with all Environmental Requirements. Government hazardous waste management facilities will not be available to LESSEE. Nor shall LESSEE permit its Hazardous Materials to be commingled with waste of the Department of the Navy. Any violation of the requirements of this condition shall be deemed a material breach of this LEASE.
- v. If any Hazardous Material is brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath the Leased Property or any portion thereof in violation of any Clause in the Lease or is in existence in, on or under the Leased Property, Lessee shall, at the direction of the Government or any federal, state or local authority, remove or remediate such Hazardous Material and/or otherwise comply with the Environmental Requirements of such authority.
- vi. Lessee releases, remits, and forever discharges the Government, its officers, agents, and employees of and from any and all claims, causes of action, injuries, damages, and demands whatsoever in law or in equity arising out of, or connected with, Lessee's use of otherwise imputed to Lessee by law through others' use or occupancy of the Leased Property. Lessee agrees to indemnify, defend, and hold harmless the United States against all fines, claims, damages, law suits, judgments, and expenses arising out of such use and/or occupancy of the Leased Property and not resulting from the negligence or willful intent or misconduct of Government, its officers, agents, and/or employees.
- vii. Any agency of the United States, its officers, agents, employees, and contractors,

may enter upon the Leased Property, at all reasonable times for any purposes including, but not limited to, purposes of inspection. The Government normally will give the Lessee twenty-four (24) hours prior notice of its intention to enter the Leased Property, unless it determines sooner entry is required for safety, environmental, operations, or security purposes. The Lessee shall have no claim against the United States or any officer, agent, employee or contractor thereof, on account of any such entries. The Government's right of inspection shall be without prejudice to the right of duly constituted enforcement officials to make inspections. The right of Government access shall also include the right to conduct any environmental response actions the Government deems necessary.

- viii. Worker Protection Standard (WPS) for Agricultural Pesticides. The Lessee shall follow all WPS requirements on pesticide labels including: Personal Protective Equipment (PPE), Application Requirements, and Agricultural Use Requirements – Restricted-Entry Interval (REI), Early-Entry PPE and Non-hand Labor Early-Entry. The U.S. Environmental Protection Agency or the appropriate State agency can provide the Lessee with additional WPS information.
- ix. Pollution Prevention and Right-To-Know Information ( May 2011)
  - (a) *Definitions.* As used in this clause—"Toxic chemical" means a chemical or chemical category listed in 40 CFR 372.65.
  - (b) Federal facilities are required to comply with the provisions of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. §§ 11001-11050) and the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. §§ 13101-13109).
  - (c) The LESSEE shall provide all information needed by the Federal facility to comply with the following:
    - (i) The emergency planning reporting requirements of Section 302 of EPCRA.
    - (ii) The emergency notice requirements of Section 304 of EPCRA.
    - (iii) The list of Material Safety Data Sheets, required by Section 311 of EPCRA.
    - (iv) The emergency and hazardous chemical inventory forms of Section 312 of EPCRA.
    - (v) The toxic chemical release inventory of Section 313 of EPCRA, which includes the reduction and recycling information required by Section 6607 of PPA.
    - (vi) The toxic chemical and hazardous substance release and use reduction goals of Section 2(e) of Executive Order 13423 and of Executive Order 13514.

#### 34) **SAFETY AND HEALTH REQUIREMENTS:**

- a) LESSEES, employers, and/or business owners shall develop and implement a written safety and health program (SHP) for their employees involved in any agricultural operations under the GOVERNMENT'S agricultural lease program.
- b) The program shall be designed to identify, evaluate and control safety and health hazards and provide ways, means and methods to protect employees from potential injury or illness.

- c) Subcontractors shall develop and implement their own SHP and shall comply with the requirements of this guidance. If a subcontractor does not have its own SHP, the LESSEE or business owner shall include the subcontractor in his/her written SHP describing the subcontractor and its operation.
- d) A site safety and health officer (SSHO) shall be assigned and designated in writing and shall have the following qualifications:
  - (i) A minimum of two (2) years' experience in agricultural operations.
  - (ii) A minimum of one (1) year of experience in implementing safety and health programs in an agricultural site.
  - (iii) 10-hour OSHA safety class or equivalent within the last 5 years.
  - (iv) Competent person training as needed.
- e) The SHP shall be continuously reviewed throughout the life of the LEASE. At a minimum, reviewed yearly and amended as necessary, especially when new hazards, not originally identified in the program, are discovered.
- f) A copy of the written SHP shall be on site and be made available to any contractor, subcontractor, to employees, OSHA, and other federal, state and local agency with regulatory authority over the site.
- g) Accident/mishap reporting: Any mishap or accident that requires reporting of injuries, illness, and property damage under OSHA shall be reported to the base's Officer of the Day (OOD) and the STATION POC within 24 hours of the incident. The LESSEE, employer, and/or business owner shall conduct an accident/mishap investigation and provide a copy of the report to the OOD and STATION POC within five (5) calendar days of the incident.

**35) SPECIAL PROVISIONS:**

- a) In accordance with Clause 29, Government Rules and Regulations hereof, the following additional requirements are prescribed at this time:
  - i. Possessory Interest Tax: Where applicable, the leasehold interest in GOVERNMENT-owned land may be subject to State and local taxation as a possessory interest in tax exempt real property. The amount of assessment to be charged to the LESSEE is determined by the County Assessor. Such taxes are the sole responsibility and liability of the LESSEE.
  - ii. LESSEE shall not store on the Leased Property any property that is dangerous to public health or safety, without providing adequate safeguards. No property of this type shall be abandoned or destroyed on the Leased Property. The GOVERNMENT assumes no liability for damage to the Leased Property or for personal injuries sustained as a result of removal or use of the property that is dangerous to public health and safety. Furthermore, the GOVERNMENT shall be held harmless from any and all demands, suits, actions and claims arising from any storage, use or disposal of any property that is dangerous to public health and safety.
  - iii. Notwithstanding Clause 33 (d) (iii), the LESSEE may store and use fuel and motor oil on parcels which have a dedicated ground water well, provided such fuel and motor

oil is used exclusively for the operation of said groundwater well and appurtenances. Such storage containers shall be equipped with a locking valve and secured any time the pump is not in use. No such fuel or motor oil shall be abandoned or otherwise disposed of on the LEASED PROPERTY. The GOVERNMENT assumes no liability for damage to such property or for personal injuries sustained as a result of removal or use of such fuel or motor oil. Furthermore, the LESSEE shall hold the GOVERNMENT harmless from any and all liability or claims for damage to or loss of property, or for injury or death, which may arise out of or be attributable to any such use or disposal, in accordance with Clause 17 herein.

- iv. In the event LESSEE stores fuel and/or motor oil, LESSEE shall bring secondary containment into compliance with 40 C.F.R Part 112.
- v. LESSEE shall not mix or store pesticides, herbicides or fertilizers on the LEASED PROPERTY. LESSEE shall be allowed temporary staging of approved pesticides, herbicides or fertilizers. Temporary staging is defined as the duration of any application of the approved product. Under no circumstances shall LESSEE be allowed overnight staging. LESSEE shall conduct decontamination of applicators of pesticides, herbicides, and fertilizers off the LEASED PROPERTY.
- vi. Cost Sharing Assistance: Cost sharing assistance may be available to the LESSEE under U. S. Department of Agriculture, Conservation Programs. The LESSEE, however, shall not apply for or accept any federal cost sharing payment for any soil and water conservation practice required by the Lease that will result in duplicate payment for such practice. Projects completed as partial or entire consideration for the Lease, or for which reimbursement is made by the Department of the Navy, are not qualified as cost sharing projects under the USDA Conservation Programs. Any LESSEE of the STATION's agricultural or grazing lands who wishes to enter into any U.S. Department of Agriculture Conservation Program contract or agreement shall do so solely at the discretion of and subject to the USDA rules and regulations. The GOVERNMENT, Department of Navy, makes no guarantee to the LESSEE regarding normal crop acreages, allotments for crops, or the status of outleased land as being qualified for USDA programs.
- vii. The LESSEE shall be available at all times to correct emergency situations with regard to the LEASE. The LESSEE shall provide the STATION POC with emergency telephone numbers where the LESSEE may be contacted during working and non-working hours. The LESSEE shall also provide at least one alternative point of contact (name, address, and phone number) that may act on behalf of the LESSEE in emergency situations. The LESSEE or his alternate(s) shall be available for contact seven days per week, 24 hours per day and should arrive on STATION within two hours after being notified in any way of an emergency.
  - a. LESSEE Alternative Point of Contact authorized to act on behalf of the LESSEE in emergency situations:

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Home Telephone: \_\_\_\_\_  
 Mobile Telephone: \_\_\_\_\_  
 Electronic Mail (email) \_\_\_\_\_

viii. Hazardous Waste: All hazardous waste generated on the LEASED PROPERTY must be transported and disposed of offsite in accordance with federal, state, and local law. The LESSEE shall use its own EPA Identification Number and all hazardous waste shipments must be accompanied by a manifest listing the LESSEE's EPA ID Number. LESSEE shall provide copies of the manifests to the Base Environmental Department point of contact.

ix. The LESSEE shall coordinate all activities with the STATION POC or his/her designated representative identified in Clause 35 (a) (ix) (c) below. Government Points of Contact (POC) are identified below:

a. LEASE Issues:

Commanding Officer  
Naval Facilities Engineering Command Southwest  
Attn: Lorna Timog (OPJB.LT), Realty Specialist, Desert IPT, AM  
1220 Pacific Highway, Bldg 130  
San Diego, CA 92132-5190  
Telephone: (619) 532-3866  
Email: lorna.timog@navy.mil

b. Soil and Water Conservation Plan Issues

Integrated Product Team (IPT) Desert  
Naval Facilities Engineering Command Southwest  
Attn: Lisa Vanamburg (JE20.LV)  
1220 Pacific Highway  
San Diego, California 92132  
Telephone: (619) 532-3745  
Email: lisa.vanamburg@navy.mil

c. Station Point of Contact (STATION POC)

Public Works Department - Environmental Department  
Natural Resources Manager  
Naval Air Station Fallon  
4755 Pasture Road Bldg 307  
Fallon, Nevada 89496-5000  
Telephone: (775) 426-2956 or (775) 426-2922

36) **EXECUTION BY LESSEE:**

LESSEE: \_\_\_\_\_  
(print)

Names of all Corporate officers, directors, and shareholders, partners of partnership, or officers or members of other business entity submitting bid:

\_\_\_\_\_  
\_\_\_\_\_

Tax Identification #: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

FedEx (Physical) Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Work Telephone: \_\_\_\_\_ Home Telephone: \_\_\_\_\_

Mobile Telephone: \_\_\_\_\_

24 Hour Emergency Telephone: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Fax: \_\_\_\_\_

\_\_\_\_\_  
Signature of Lessee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Lessee

\_\_\_\_\_  
Witness

For Corporation LESSEE, certification by Secretary or Assistant Secretary of the Corporation:

I certify that the person who signed this LEASE on behalf of LESSEE was then the Officer indicated and this agreement was duly signed for and on behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(Corporate Seal)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
ITS

\_\_\_\_\_  
Title

**37) EXECUTION BY THE GOVERNMENT:**

THE UNITED STATES OF AMERICA  
Department of the Navy  
Naval Facilities Engineering Command Southwest  
Desert IPT Real Estate (Code OPJB.10)  
1220 Pacific Highway, Building 130  
San Diego, CA 92132

\_\_\_\_\_  
ALIA SUMPTER  
Real Estate Contracting Officer

\_\_\_\_\_  
Date

**38) NAVY IDENTIFICATION DATA:**

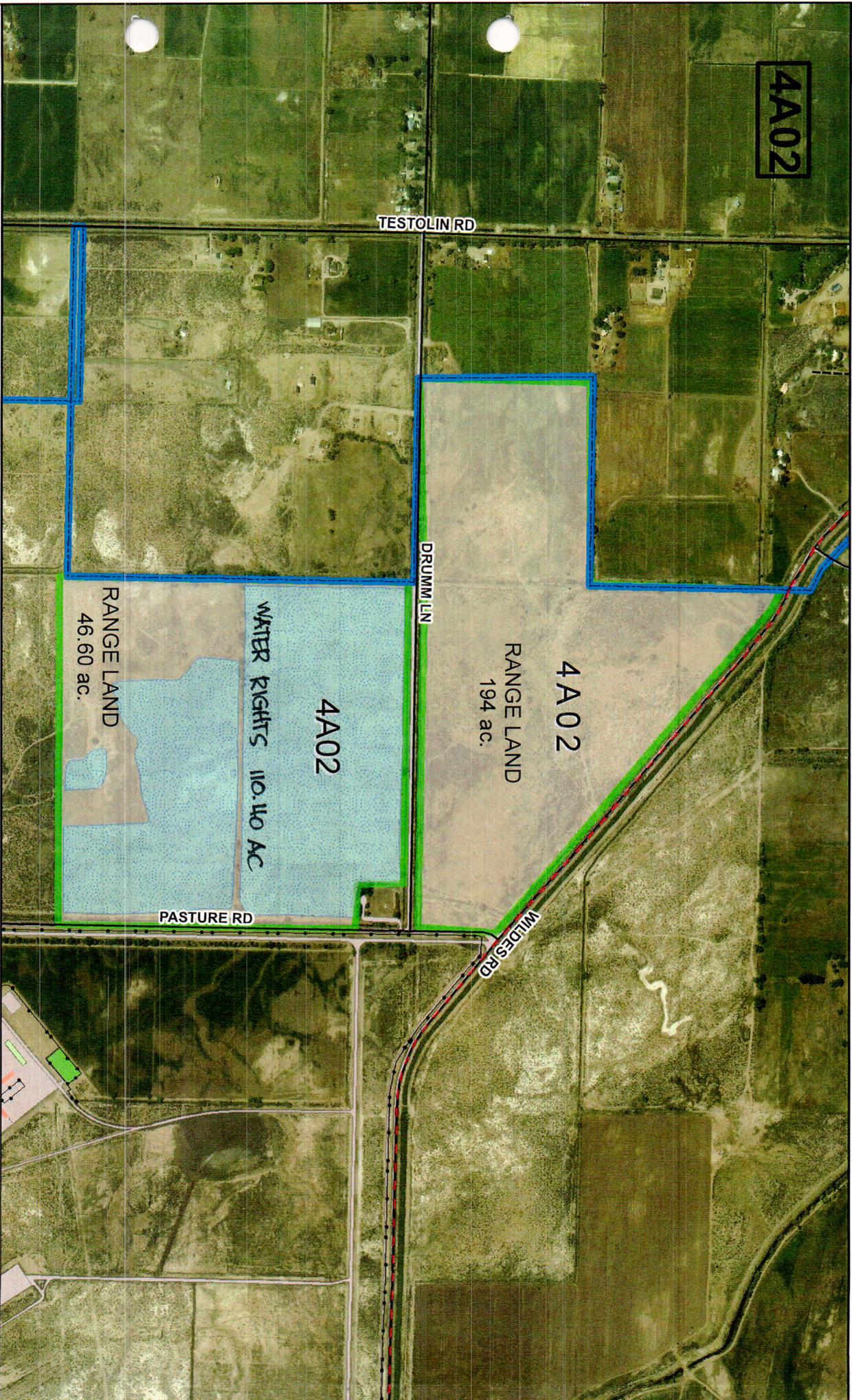
i) **N6247317RP00001, Parcel 4A02**

a. **NAME AND ADDRESS OF STATION:**

Naval Air Station Fallon  
Public Works Environmental Division  
4755 Pasture Road  
Fallon , Nevada 89496-5000  
Phone: (775) 426-2956

b. **REAL ESTATE CONTRACTING OFFICER/TITLE AND ADDRESS:**

Commanding Officer  
Desert IPT Real Estate (Code OPJB.10.AAS)  
Naval Facilities Engineering Command Southwest  
1220 Pacific Highway, Building130  
San Diego, CA 92132



**4A02**

TESTOLIN RD

DRUMML LN

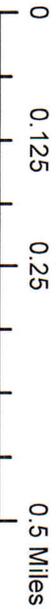
**4A02**  
RANGE LAND  
194 ac.

RANGE LAND  
46.60 ac.

**4A02**  
WATER RIGHTS 110.40 AC

PASTURE RD

WILDES RD



**Legend**

- NAME**  
4A02 Agricultural Lease Parcel  
351 acres / 240.60 Rangeland
- Water Rights, TCID Serial No.  
980-2, 110.40 acres

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Prepared By: Cindy Deeds Wirrick  
Asset Management - GIS  
Date: 2/22/2016  
Contact: cynthia.wirrick@navy.mil  
Coordinate System: WGS 1984, UTM Z 18N  
Projection: Transverse\_Mercator  
Datum: D\_WGS\_1984

**EXHIBIT (A)**

**SOIL AND WATER CONSERVATION PLAN FOR  
AGRICULTURE OUTLEASE  
PARCEL 4A02  
NAVAL AIR STATION FALLON, NEVADA**

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The LESSEE shall apply conservation measures and use the premises of the Naval Air Station Fallon (STATION), by following the minimum requirements contained in this document. It is expected the LESSEE will perform other agricultural practices that will increase production of crops and preserve the productivity of the soil.

The agricultural outlease parcel is part of the greenbelt area that surrounds the airfield. The soil and vegetation on these parcels must be managed and protected for fire safety, dust control, and to reduce foreign object damage to aircraft. The LESSEE shall apply conservation measures and use the premises of the STATION by following generally accepted agricultural practices. The LESSEE shall in no manner substantially change the contour or condition of the land without the express written authority from the GOVERNMENT and with written concurrence from the STATION. No changes regarding the LEASED use described herein or any other activity which will affect the natural resources on the LEASED PROPERTY will be made without the advance written approval from the GOVERNMENT, and with concurrence from the STATION.

1. **DESCRIPTION:** The LEASED PROPERTY is located on Naval Air Station Fallon, in Churchill County, Nevada. The STATION is located approximately two miles south and five miles east of the City of Fallon, Nevada. Parcel 4A02 is approximately 351 acres consisting of 110.4 water righted acres and 240.60 rangeland acres. Access to Parcel 4A02 is through a gate on the western side of Pasture Road near the intersection of Drumm Lane and Pasture Road. The Main Gate of the STATION is located three miles south on Pasture Road (Exhibit "A" parcel map).
2. **USE:** The primary use of the STATION is for military activities. The agricultural LEASE operation is secondary and subject to the military requirements for the land. **THIS PARCEL IS BEING LEASED OUT AS AN AGRICULTURE LEASE WITH A LIMITED POSSIBILITY OF GRAZING ONLY UPON REQUEST AND APPROVAL FROM THE STATION.** Grazing approval will be based on current conditions and forage availability. The 110.4 acres of water righted fields must be planted and irrigated. Typical crops grown on the irrigable fields are: hay, corn, and alfalfa. The planting of vineyard, orchard, rice crops, or sod farming is not allowed. There are annual maintenance activities such as pest control (weeds, rodents, and insects), irrigation system repairs, and fence repairs that also must be completed as part of the LEASE agreement. Any other use of the area, such as storage structures is not permitted.
3. **STATION COORDINATION:**

A. NOTIFICATION AND IDENTIFICATION. The LESSEE shall coordinate farming operations with the STATION Public Works Officer designated representative (STATION Representative) at the STATION, (775) 426-2956 or (775) 426-2922. The LESSEE shall be available at all times to correct emergency situations with regard to the LEASE. The LESSEE shall provide the STATION Representative and the NAVFAC SW Natural Resource Specialist (NRS) with emergency telephone numbers where the LESSEE may be contacted during working and non-working hours. The LESSEE shall also provide at least one alternative point of contact (name, address, and phone number) that may act on behalf of the LESSEE in emergency situations. The LESSEE or his alternate(s) shall be available for contact seven days per week, 24 hours per day and should arrive on STATION within two (2) hours after being

notified in any way of an emergency. If the LESSEE elects to secure (lock) the gates to the LEASED area, the LESSEE shall provide duplicate keys or combinations to each lock to the STATION Representative. The LESSEE and associated LEASE employees, contractors, and agents shall carry GOVERNMENT issued identification (i.e. driver's license, state issued identification card, etc.) at all times on the LEASED PROPERTY.

B. **INSTALLATION ACCESS.** The LEASE parcel is outside the Main STATION chain link fence. The LESSEE shall stay on existing dirt roads and trails as much as practical on the LEASE parcel. Vehicles used by the LESSEE and associated LEASE employees, contractors, and agents shall meet Nevada licensing requirements, Nevada vehicle safety standards, and Nevada vehicle insurance requirements.

4. **IRRIGATION WATER AVAILABILITY:** Irrigation water applications will be scheduled in accordance with the Environmental Assessment for the Management of the Greenbelt Area at Naval Air Station Fallon, Nevada dated September 1994 and Public Law 101-618, Section 206. Water for irrigation is available from the Truckee Carson Irrigation District (TCID) to fields that are water-righted through the State of Nevada. **The GOVERNMENT makes no guarantee implied or expressed regarding the quality, quantity or cost of water available, or that may become available, from TCID.** The LESSEE shall make arrangements for obtaining water from the TCID [2666 Harrigan Rd, Fallon, NV 89406 (775) 423-2141]. No irrigation water or water provided is to be directed onto lands off the STATION PROPERTY. **Flooding of adjacent private and/or other GOVERNMENT owned unimproved rangeland, from the LEASED PROPERTY, is expressly prohibited.** There are 110.4 water righted acres on Parcel 4A02. All irrigation water administered by TCID shall be put to beneficial use as determined by the Nevada Division of Water Resources. The TCID normal water allocation is 3.5 acre feet per acre of water righted acres. During drought conditions in the past the TCID has lowered the water allocation to as little as 20% of the normal allocation.

A. **IRRIGATION WATER USE.** The LESSEE also **agrees to pay** all water charges assessed by TCID as required by Clause 3 (b) of this LEASE by the due date administered by TCID, no later than April 1<sup>st</sup>.

B. **IRRIGATION WATER AVAILABLE AND ACREAGE FARMED.** **If the TCID water allocation is equal to or less than 60% a LEASE rental adjustment shall be applied.** The rental adjustment shall be determined by dividing the annual rent rate by the allocation percentage. Upon final allocation determination, the GOVERNMENT shall initiate a unilateral modification to the LEASE to adjust the annual rent accordingly.

5. **CONSERVATION WORK:**

It is the intent of the GOVERNMENT that the land be utilized for multiple uses including military activities, agriculture, limited grazing (only upon approval by the STATION), wildlife habitat, and a soil and water conservation program on a scheduled basis as outlined in Appendix "A," Outline of Non-Reimbursable Conservation Work. Protection of the STATION's resources from deterioration by erosion, wildfires, noxious and invasive weeds, rodents and pest infestations, or other detriments is considered part of the sound land management to be carried out by the LESSEE. These conservation measures provide for the long-term productivity of the LEASED PROPERTY while protecting other natural resources and providing an opportunity for an economic return to the LESSEE. The GOVERNMENT hereby reserves the right for persons and/or entities other than the LESSEE to conduct conservation programs on the LEASED PROPERTY (i.e. biological surveys, soil testing, etc).

Areas of rangeland and wildlife habitat may exist within or adjacent to the LEASED PROPERTY. The LESSEE shall not irrigate or allow irrigation water to accumulate on any area designated as rangeland or wildlife habitat. Flooding of adjacent private and/or other GOVERNMENT owned unimproved rangeland, from the LEASED PROPERTY, is expressly prohibited.

A. NON-REIMBURSABLE WORK.

(1) IRRIGATION MANAGEMENT AND MAINTENANCE.

(a) IRRIGATION WATER MANAGEMENT: Irrigation water shall be applied by the LESSEE in quantities and frequencies that shall meet the needs of the crops grown on the particular soil types and that shall provide for proper water penetration without erosion. Specific information on the soil characteristics of the LEASED PROPERTY is found in Appendix "B," Soil Map and Appendix "C," the Soil Capability Map Summary. To reduce mosquito production, water shall not be allowed to stand in ditches or in fields longer than three (3) days.

(b) IRRIGATION MAINTENANCE: All permanent irrigation structures existing or newly installed on the LEASED PROPERTY shall be repaired and maintained by the LESSEE at their own expense and shall not be removed from the LEASED PROPERTY. This includes all flash boards and measures to prevent irrigation gates from washing out. The GOVERNMENT makes no guarantees regarding the condition of any existing equipment on the LEASED PEROPERTY. The LESSEE may utilize any existing equipment at their expense.

i. IRRIGATION DITCHES. All irrigation ditches shall be maintained free of weeds, silt and debris by the LESSEE, at LESSEE's own expense. In this regard all irrigation head ditches, supply and pick-up ditches and drain ditches shall be cleaned at a minimum of one time per year, prior to April 1, and additionally as necessary for proper irrigation and reduction of mosquito breeding habitat. All irrigation check borders shall be maintained annually by the LESSEE at their own expense. Such maintenance shall include repair of any breaks and filling in of depressions to prevent ponding water and reduce breeding areas for mosquitos. LESSEE shall repair immediately all leaking irrigation ditches to prevent soil erosion and to provide unimpaired vehicle use through the parcel. Irrigation ditches shall not be constructed across a road. Borders and/or furrows shall be constructed as needed for an efficient distribution of irrigated water. Permanent water control structures, if needed, shall be installed by the LESSEE at their own expense. Said structures shall be constructed to USDA Natural Resources Conservation Service (NRCS) specifications and shall remain the PROPERTY of the GOVERNMENT upon termination of the LEASE.

ii. REPLANTING AND LASER LEVELING. The LESSEE shall, at their own expense, replant 110.4 acres of water righted fields in Parcel 4A02 The replanting shall be completed in 2 years, at least 80 acres the first year and the remainder the second year of the LEASE term and replant as necessary thereafter. The LESSEE shall, at their own expense, laser level the parcel prior to replanting, if needed, to provide for proper distribution of irrigation water.

iii. MINIMUM TILLAGE. The LESSEE shall practice "minimum tillage" where practical and feasible for LESSEE's farming operations. The LESSEE shall vary the depth of plowing from year to year to prevent a "plow sole or pan" from forming and to facilitate water penetration. To reduce possible hazard to aircraft, tillage operations shall be scheduled to minimize the time during which soil will be subject to wind erosion and dust production.

iv. IRRIGATION GATES. The LESSEE shall, at their own expense, replace any irrigation gates that are not functional.

v. CROP MANAGEMENT. In order to show that ALL irrigation water administered by TCID is going to be put to beneficial use the LESSEE shall submit an annual Cropping Plan (Appendix D) to the STATION Representative and the NAVFAC SW NRS.

(2) HARVESTED CROP STORAGE. LESSEE may store harvested crops only in areas designated for such use by the STATION Representative.

(3) GRAZING MANAGEMENT. The primary use of this LEASE is for agricultural use and not for grazing purposes. **The LESSEE is not allowed to bring livestock onto the LEASED PROPERTY without written approval from the STATION Representative.** The LESSEE shall submit a written request (email is sufficient) including a Grazing Management Plan that includes the number of head, the timeframe, rotational grazing plan and the time period being requested. The STATION Representative will review requests on a case-by-case basis and will approve request, depending on the current condition of the LEASED PROPERTY.

(a) SEASON OF USE: Livestock shall be allowed to graze, upon approval, on all specified fields for weed control in accordance with the prescribed season of use and systematic rotation of grazing of the various pastures. The grazing season shall begin upon approval of the STATION Representative and shall cease upon notification by the STATION Representative. To prevent damage to the pasture, livestock shall be removed for at least five (5) days from irrigated pastures that are wet and muddy.

(b) GRAZING INTENSITY: The amount of grazing, when approved, must be sufficient to reduce overall fire hazard while protecting against soil erosion. The LESSEE shall not overgraze any rangeland, irrigated pastures, hay or crop stubble. **All grazing shall cease when forage utilization reaches an average minimum stubble height of three (3) inches on forage crops as determined by the STATION Representative.**

The maximum allowable annual grazing capacity is established at 300 Animal Unit Months (AUM) per year. An animal unit is defined as one cow, one cow with unweaned calf, or a two year old steer or heifer. Bulls over two years of age and horses are counted as 1.25 animal units. A weaned heifer, steer, or bull which is six months old, but less than two years old, is counted as 0.75 of an animal unit. Grazing is limited to cattle. Grazing of horses or by anything other than cattle must be approved in writing from the STATION Representative. The LESSEE is permitted to use horses for the purposes of moving cattle, any horses staying overnight on the STATION shall be considered grazing and must be approved in writing by the STATION Representative.

Animal	Animal Unit
Cow	1
Cow with unweaned calf	1
Steer/Heifer (+2 years)	1
Bull/Horse (+2 years)	1.25
Bull/Steer/Heifer (0.5 – 2 years)	0.75

If, in a given year, it is determined that there is not enough available forage to graze the maximum grazing capacity of 300 AUMs per year, the GOVERNMENT reserves the right to reduce the number of allowable AUMs in the LEASE year. The LESSEE shall either reduce the number of livestock on the premises or have all livestock removed as directed by the STATION Representative. If sufficient forage does not remain on alternate pastures or if no alternate pastures exist, then the livestock shall be removed from the LEASED PROPERTY until forage condition improves. The LESSEE must obtain written approval from the STATION Representative to resume grazing.

The GOVERNMENT may allow an increase in the grazing capacity providing adequate forage exists, as determined by the STATION Representative, to support additional AUMs. Permission in writing must be granted by the STATION Representative prior to the LESSEE exceeding the 300 AUM grazing capacity. If AUM's are increased, the LESSEE shall submit an amended Grazing Management Plan for review and approval by the STATION Representative.

(c) **LIVESTOCK DISTRIBUTION:** Livestock grazing will not be approved by the STATION Representative until there is between 4 to 6 inches of forage growth. The LESSEE shall strive to attain landscape description goal of uniform heights (never less than three (3) inches in fields). As much as is practical, livestock will be kept as one herd and rotated en masse from one pasture to the next as the vegetation warrants. Salt blocks and feed supplements shall not be located within 100 yards of watering areas and shall be distributed throughout the LEASED PROPERTY for optimal range utilization. The LESSEE shall periodically move salt blocks and feed supplement sites to minimize impacts to individual sites. Cattle escaping off the LEASED PROPERTY may result in suspension of grazing privileges.

(d) **ANIMAL HEALTH:** The LESSEE shall comply with all federal, state and local animal health laws and regulations with respect to livestock grazing on the LEASED PROPERTY.

(e) **REMOVAL OF DEAD LIVESTOCK:** Dead livestock increase the potential for Bird Animal Aircraft Strike Hazards. The LESSEE, at their expense, shall immediately dispose of any dead animals in a manner satisfactory to the STATION Representative. Disposal shall take place as soon as possible and within 24 hours upon death of livestock. Should the dead livestock not be removed in a satisfactory manner within 24 hours, the STATION shall remove said livestock and the LESSEE shall reimburse the GOVERNMENT for said removal.

(f) **SUPPLEMENTAL FEEDING:** Supplemental feeding is not allowed in any LEASE year.

(g) **REPORTING REQUIREMENTS: THE LESSEE SHALL SUBMIT BY THE 10<sup>TH</sup> DAY OF EACH MONTH AN ANIMAL UNIT MONTH (AUM) REPORT FORM, APPENDIX "E", CERTIFYING THE NUMBER OF AUMS GRAZED, IN EACH PASTURE, DURING THE PREVIOUS MONTH.** The LESSEE shall send a copy of the completed form to the STATION Representative. Failure to submit timely AUM Reports will result in suspension of grazing privileges.

The LESSEE shall submit one completed (signed and dated) form for each month of use via mail, facsimile or email to the STATION Representative at the following address:

Naval Air Station Fallon  
Environmental Division: Natural Resources Branch

4755 Pasture Road  
Fallon Nevada 89496-5000  
Fax: (775) 426-2663  
Email: gary.cottle@navy.mil

(4) **LIVESTOCK WATERING AND FACILITIES.** The LESSEE, at their expense, shall maintain existing and future livestock watering supply ditches, water troughs, pipelines, and any other livestock water development components. Maintenance shall be completed every year or as needed and includes, but is not limited to; maintaining water free of excessive amounts of algae, silt and manure, clearing obstructions away from drains and spillways, repairing float and valve mechanisms, etc. Aggregate fill shall be placed around the existing troughs and solar pumping systems shall be maintained.

(5) **FENCE AND GATE MAINTENANCE.** The LESSEE, at their expense, shall repair and maintain in a livestock-tight condition all fences, gates, and other facilities associated with the LEASED PROPERTY. Each year, prior to bringing livestock onto the LEASED PROPERTY, the LESSEE shall inspect and repair all fences to ensure they are in a livestock-tight condition. Routine maintenance will be completed each year or as needed. Livestock-tight condition shall insure that cattle will remain on the LEASED PROPERTY at all times. The GOVERNMENT reserves the right to revoke grazing privileges in the event cattle leave the LEASED PROPERTY. All material used in maintaining GOVERNMENT owned facilities shall be of at least the same type and quality as those used in the original construction. All materials used for such repairs shall become property of the GOVERNMENT and shall not be removed by the LESSEE upon termination of the LEASE.

(6) **PEST MANAGEMENT.** The LESSEE, on a non-reimbursable basis, shall undertake pest control measures by mechanical means or by pesticide/herbicide application. The LESSEE shall coordinate with the Installation Pest Management Coordinator (IPMC) and shall adhere to the following. The LESSEE shall be responsible for complying with the Chief of Naval Operations Instruction (OPNAVINST) 6250.4 series regarding Navy installation pest management programs. The LESSEE is responsible for complying with all federal, state and local pesticide and pest management and field worker safety regulations and standards, including obtaining required permits. The LESSEE is responsible for complying with the STATION's Integrated Pest Management Plan.

Special restrictions for method, timing and amount of application may be required in the sensitive areas. This may include restrictions on the type of pesticide.

(a) **ANNUAL PLAN FOR PEST MANAGEMENT:** The LESSEE shall develop an Agricultural Outlease Pest Management Plan and submit a copy to the IPMC and the NAVFAC SW NRS by May 15th of each calendar year. Appendix "F" includes instructions for the Pest Management Plan and a blank sample form. An electronic version of the blank document is available upon request from the IPMC. LESSEE shall not proceed with its pest management program until receipt of the STATION's approval of the pesticides to be used under the Agricultural Outlease Pest Management Plan. Any changes in the LESSEE's pesticide application program must be reported to and approved by the IPMC.

(b) **PEST MANAGEMENT REPORTING:** All pest management operations including pesticide use and mechanical weed control shall be reported to the IPMC. The LESSEE shall submit bi-annual reports by **June 31<sup>st</sup>** and **December 31<sup>th</sup>** of each year. In the last year of the LEASE, the LESSEE shall submit the annual report **60 days** prior to the LEASE

expiration date.

(c) **MECHANICAL WEED CONTROL:** If the LESSEE requests to control the weeds by non-chemical means, such as removal of Russian olives, the operation shall be accomplished by the LESSEE at their expense.

(d) **CHEMICAL WEED AND PEST CONTROL:** The term "pesticide" includes insecticides, herbicides, fungicides, miticides, rodenticides and algaecides. LESSEE shall be responsible for complying with the Chief of Naval Operations Instruction (OPNAVINST) 6250.4 series regarding Navy and Marine Corps installations' pest management programs, the STATION's Integrated Pest Management Plan (IPMP), all relevant DoD guidance and instructions, as well as all federal, state and local pesticide and pest management and field worker safety laws, regulations and standards, including but not limited to obtaining required permits. LESSEE, upon request to the NAVFAC SW NRS, can receive pertinent DoD guidance and a copy of the STATION's IPMP. The LESSEE is limited to using only pesticides on the STATION's pesticide authorized use list which is available upon request.

In the event the LESSEE wishes to use a pesticide that is not included in the STATION's pesticide authorized use list, the LESSEE shall submit a list of requested pesticides and EPA registration numbers with their annual Plan (see 5.A.(6)(a)). Pesticides shall be reviewed by the STATION's IPMP and, if approved, will be added to the STATION's pesticide authorized use list. Only pesticides on this list shall be used on the LEASED PROPERTY. Any changes in the LESSEE's pesticide application program must be reported to and approved by the IPMC prior to application.

Failure to provide this information as requested may result in action being taken to terminate the LEASE. Upon termination of the LEASE, the LESSEE shall provide the summary for the portion of the year that the LEASE was active.

i. **PESTICIDE APPLICATION AND DISPOSAL.** The LESSEE shall be solely liable for any damage to GOVERNMENT property from pest management operations including pesticide usage. All pesticide containers shall have the manufacturer's label attached. Service containers shall have a label indicating the contents of the container. Safety Data Sheets (SDS) shall be maintained on site in a binder with the LESSEE or his employees or agents at time of pesticide application. All pesticides shall be applied in a manner consistent with the manufacturer label directions. Empty pesticide containers and application equipment shall be cleaned in a manner that prevents environmental contamination. All empty pesticide containers shall be removed from the installation in a timely manner; such manner to be determined by the IPMC or applicable federal, state, and local regulations.

ii. **PRIVATE APPLICATOR CERTIFICATION.** LESSEES who apply restricted use pesticides or who train others to apply any pesticides must have a Private Applicator Certification. All persons who apply any pesticides must be trained by a qualified person (i.e. a Certified Private Applicator or an entity with a Commercial Applicator Certification). This includes, but is not limited to, training on pesticide labels, SDS, and pesticide safety. Unlicensed persons that apply restricted use pesticides shall be under the supervision of a certified applicator. In addition, the LESSEE must provide workers that enter pesticide-treated fields with pesticide safety training. Applicators that are hired by the LESSEE to apply any pesticides must comply with the requirements for Commercial Applicator Certification. All applicators of any pesticides shall wear Personal Protective Equipment (PPE) as required by the product label directions. This may include, but is not necessarily limited to: body covering (long sleeved shirt/pants or overalls), goggles and/or face shields, aprons, gloves, hats, foot

coverings (work boots) and/or respirators.

(7) PREDATOR CONTROL. Predator control by the LESSEE is not typically authorized by the GOVERNMENT on this LEASED PROPERTY. Neither the LESSEE nor his employees or agents shall utilize poisons, poison baits, "coyote-getters," or similar devices on the LEASED PROPERTY for predator or vermin control. The poisoning of predators on federal lands is prohibited by law. The LESSEE must coordinate with and have approval from the STATION Representative before using other lethal means of predator control, such as trapping or shooting.

(8) FIRE PREVENTION. The LESSEE shall comply with the STATION's fire control and fire prevention regulations. The LESSEE shall submit the Fire Plan Form (Appendix G) and receive approval from the STATION Representative prior to using fire as a means of weed control. LESSEE shall be liable for any fire damage to GOVERNMENT owned structures attributed to the activities of LESSEE on the STATION. LESSEE shall also be liable for improvements and costs of required fire suppression attributed to the activities of the LESSEE on the STATION.

(a) EQUIPMENT: All engine driven equipment used by the LESSEE on the STATION shall be equipped with properly operating spark arresters, mufflers, and tailpipe assemblies. In addition, any vehicle having a catalytic converter shall not be driven through areas of dry, combustible material due to the extreme heat generated by this device.

(b) STORAGE OF EQUIPMENT AND FLAMMABLE MATERIALS: LESSEE shall refer to Special Provisions Clause 34 (a) of the LEASE for information regarding fuel and oil storage on the LEASED PROPERTY. Seasonal equipment may be stored on site during the period of use and thirty (30) days before and after use. All seasonal equipment not in use cannot be stored on site and must be removed from the LEASED PROPERTY within thirty (30) days of completion of use.

(c) SPARK-PRODUCING EQUIPMENT: Arc, gas, TIG ("Heli-Arc") welders shall be used only with a fire extinguisher in areas designated for storage by the STATION Representative or for repairs on a specific piece of equipment parked on and surrounded by at least 50 feet of bare soil in all directions.

(9) DEBRIS REMOVAL. The LESSEE shall maintain all areas of the LEASED PROPERTY in a neat, orderly appearance at all times. Trash, garbage, broken down or discarded equipment or material shall be removed from the LEASED PROPERTY immediately. The LESSEE, at their expense, shall dispose of all debris from normal agriculture and/or ranching practices generated on the LEASED PROPERTY to the satisfaction of the STATION Representative. The LESSEE shall upon notification by any representative of the GOVERNMENT or the STATION, correct all deficiencies referenced in the notification within 30 days of being notified. Storage of any equipment or materials that are not directly related to the LESSEE's agriculture and/or grazing operation will not be allowed on the STATION. The STATION Representative has the right to instruct the LESSEE to remove any equipment that is determined to be inoperable or unacceptable. All designated laydown areas shall be kept free of weeds.

(10) EROSION CONTROL. LESSEE, at their expense, shall use prudent erosion control measures to reduce soil loss due to actions of wind and water, or as requested by the GOVERNMENT. The LESSEE must coordinate with the STATION Representative for the implementation of any erosion control measures. Due to sensitive resources, erosion control

measures may not be permitted in certain areas of the installation without proper permitting.

(11) ROAD DAMAGE PREVENTION. The LESSEE shall not maneuver "track-laying" or "spike-wheeled" vehicles over the STATION's paved roads unless road protective measures are taken. The LESSEE shall be liable for the costs of repairing any paved road on the STATION which is injured, impaired or cut by any equipment under LESSEE supervision or authorization. LESSEE shall be billed by the STATION for any and all road damage repairs attributed to the activities of the LESSEE.

(12) TREE MAINTENANCE. Trees shall be maintained once a year for the duration of the LEASE. Maintenance shall consist of weed control throughout the windbreak. Weed whips/string trimmers are permitted to be used so long as they are not used within six inches of the base of any tree to prevent girdling. Weeds shall not be left standing at the base of the trees. Periodic pruning is necessary for dead and down limbs as well as any limbs that appear to be in danger of falling. Tree removal may also be necessary.

#### B. REIMBURSABLE PROJECTS

Soil and Water Conservation measures determined to be in the best interest of the GOVERNMENT may be approved by the GOVERNMENT for construction by the LESSEE, on a reimbursable basis. The conditions set forth in Clause 8 (b) through (d) Conservation and Maintenance Work, of the LEASE shall apply when performing any such reimbursable work. **In no case shall the LESSEE begin project work until receipt of a fully executed modification to the LEASE which constitutes a notice to proceed.**

Reimbursable projects may include, but are not limited to, fence construction, and installation of cattle guards.

Upon satisfactory completion and acceptance of the work by the GOVERNMENT, payment shall be made in accordance with Clause 8, Conservation and Maintenance Work, of the LEASE and as scheduled in the Outline of Non-Reimbursable Conservation Work, Appendix "A".

#### 6. TECHNICAL ASSISTANCE AVAILABLE:

##### A. STATION Representative & Installation Pest Management Coordinator (IPMC)

Gary Cottle  
Naval Air Station Fallon  
Natural Resources Manager  
4755 Pasture Road  
Fallon Nevada 89496-5000  
Telephone: (775) 426-2956  
Fax: (775) 426-2663  
Email: gary.cottle@navy.mil

Alternate Station Representative

Anna Keyzers  
Natural Resource Specialist  
Telephone: (775) 426-2922  
Fax: (775) 426-2663

Email: [anna.keyzers@navy.mil](mailto:anna.keyzers@navy.mil)

B. NAVFAC SW Natural Resource Specialist (NRS)

Lisa Van Amburg, Natural Resource Specialist  
Integrated Product Team (IPT) Desert  
Naval Facilities Engineering Command Southwest  
1220 Pacific Highway (Code: JE20.CF)  
San Diego CA 92132  
Telephone: (619) 532-3745  
Facsimile: (619) 532-1195  
Email: [lisa.vanamburg@navy.mil](mailto:lisa.vanamburg@navy.mil)

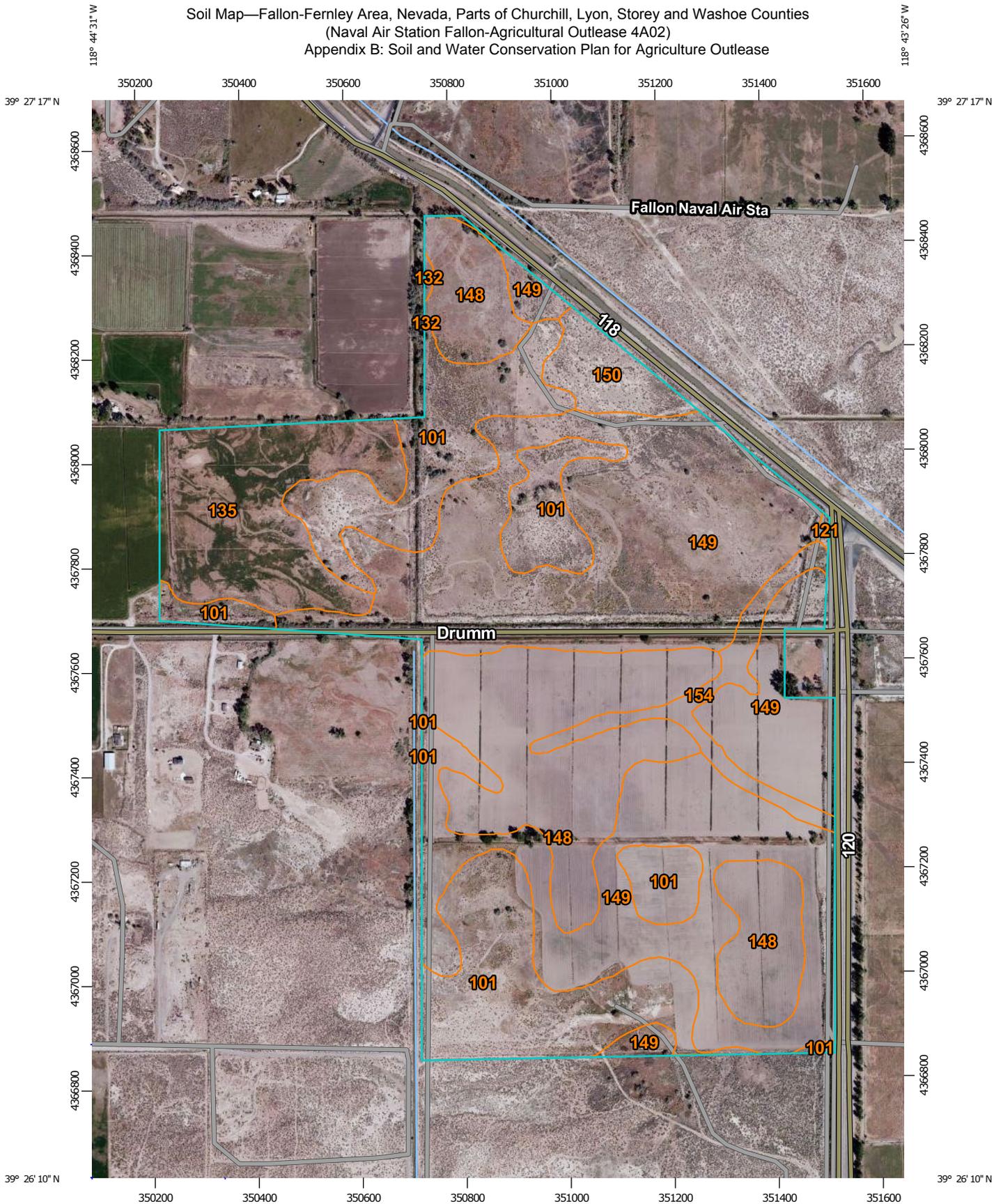
Outline of Non-Reimbursable Conservation Work

<b>Paragraph</b>	<b>Description</b>	<b>Submittal Requirement</b>
4. A.	IRRIGATION WATER USE	No later than April 1 each year.
5. A. 1. a.	IRRIGATION WATER MANAGEMENT	Continuous Responsibility
5. A. 1. b.	IRRIGATION MAINTENANCE	Continuous Responsibility
5. A. 1. b. i.	IRRIGATION DITCHES	Prior to April 1. Additional times as necessary
5. A. 1. b. ii.	REPLANTING AND LASER LEVELING	1st year lease term: 80 acres 2nd year lease term: remaining acreage
5. A. 1. b. iii.	MINIMUM TILLAGE	Continuous Responsibility
5. A. 1. b. iv.	IRRIGATION GATES	Continuous Responsibility
5. A. 1. b. v.	CROP MANAGEMENT	Cropping Plan due April 1 (Appendix D)
5. A. 2.	HARVESTED CROP STORAGE	Continuous Responsibility
5. A. 3.	GRAZING MANAGEMENT	Grazing Management Plan is required to be submitted and approved prior to bringing livestock on the parcel
5. A. 3. a.	SEASON OF USE	
5. A. 3. b.	GRAZING INTENSITY	Continuous Responsibility after Grazing Management Plan is approved
5. A. 3. c.	LIVESTOCK DISTRIBUTION	
5. A. 3. d.	ANIMAL HEALTH	Continuous Responsibility after Grazing Management Plan is approved
5. A. 3. e.	REMOVAL OF DEAD LIVESTOCK	Continuous Responsibility after Grazing Management Plan is approved
5. A. 3. f.	SUPPLEMENTAL FEEDING	Continuous Responsibility after Grazing Management Plan is approved
5. A. 3. g.	REPORTING REQUIREMENTS	10th day of each month after Grazing Management Plan is approved (Appendix E)
5. A. 4.	LIVESTOCK WATERING AND FACILITIES	Continuous Responsibility after Grazing Management Plan is approved
5. A. 5.	FENCE AND GATE MAINTENANCE	Continuous Responsibility
5. A. 6.	PEST MANAGEMENT	Continuous Responsibility
5. A. 6. a.	ANNUAL PLAN FOR PEST MANAGEMENT	Due January 15th (Appendix F)
5. A. 6. b.	PEST MANAGEMENT REPORTING	Due June 31st and December 31st (Appendix F)
5. A. 6. c.	MECHANICAL WEED CONTROL	Continuous Responsibility
5. A. 6. d.	CHEMICAL WEED AND PEST CONTROL	Continuous Responsibility
5. A. 6. d. i.	PESTICIDE APPLICATION AND DISPOSAL	Continuous Responsibility
5. A. 6. d. ii.	PRIVATE APPLICATOR CERTIFICATION	Continuous Responsibility
5. A. 7.	PREDATOR CONTROL	Continuous Responsibility

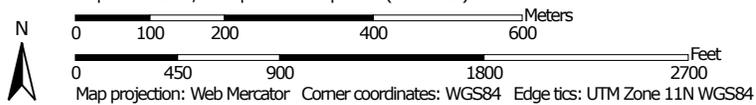
Outline of Non-Reimbursable Conservation Work

<b>Paragraph</b>	<b>Description</b>	<b>Submittal Requirement</b>
<b>5. A. 8.</b>	FIRE PREVENTION	Fire Plan is required to be submitted and approved prior to using fire to control weeds (Appendix G)
<b>5. A. 8. a.</b>	EQUIPMENT	Continuous Responsibility
<b>5. A. 8. b.</b>	STORAGE OF EQUIPMENT AND FLAMMABLE MATERIALS	Continuous Responsibility
<b>5. A. 8. c.</b>	SPARK-PRODUCING EQUIPMENT	Continuous Responsibility
<b>5. A. 9.</b>	DEBRIS REMOVAL	Continuous Responsibility
<b>5. A. 10.</b>	EROSION CONTROL	Continuous Responsibility
<b>5. A. 11.</b>	ROAD DAMAGE PREVENTION	Continuous Responsibility
<b>5. A. 12.</b>	TREE MAINTENANCE	Once per year

Soil Map—Fallon-Fernley Area, Nevada, Parts of Churchill, Lyon, Storey and Washoe Counties  
 (Naval Air Station Fallon-Agricultural Outlease 4A02)  
 Appendix B: Soil and Water Conservation Plan for Agriculture Outlease



Map Scale: 1:10,100 if printed on A portrait (8.5" x 11") sheet.



Soil Map—Fallon-Fernley Area, Nevada, Parts of Churchill, Lyon, Storey and Washoe Counties  
 (Naval Air Station Fallon-Agricultural Outlease 4A02)  
 Appendix B: Soil and Water Conservation Plan for Agriculture Outlease

### MAP LEGEND

#### Area of Interest (AOI)

 Area of Interest (AOI)

#### Soils

 Soil Map Unit Polygons

 Soil Map Unit Lines

 Soil Map Unit Points

#### Special Point Features



Blowout



Borrow Pit



Clay Spot



Closed Depression



Gravel Pit



Gravelly Spot



Landfill



Lava Flow



Marsh or swamp



Mine or Quarry



Miscellaneous Water



Perennial Water



Rock Outcrop



Saline Spot



Sandy Spot



Severely Eroded Spot



Sinkhole



Slide or Slip



Sodic Spot



Spoil Area



Stony Spot



Very Stony Spot



Wet Spot



Other



Special Line Features

#### Water Features



Streams and Canals

#### Transportation



Rails



Interstate Highways



US Routes



Major Roads



Local Roads

#### Background



Aerial Photography

### MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Warning: Soil Map may not be valid at this scale.

Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service  
 Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>  
 Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Fallon-Fernley Area, Nevada, Parts of Churchill, Lyon, Storey and Washoe Counties  
 Survey Area Data: Version 10, Aug 21, 2014

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Sep 11, 2010—Sep 21, 2010

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

## Map Unit Legend

Fallon-Fernley Area, Nevada, Parts of Churchill, Lyon, Storey and Washoe Counties (NV603)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
101	Isolde-Appian, clay substratum complex, 0 to 4 percent slopes	66.9	21.6%
121	Bunejug-Erber complex, 0 to 1 percent slopes	0.3	0.1%
132	Dia loam, 0 to 1 percent slopes	0.3	0.1%
135	Dia loam, slightly saline, 0 to 1 percent slopes	30.8	9.9%
148	Fallon fine sandy loam, 0 to 1 percent slopes	60.3	19.5%
149	Fallon fine sandy loam, slightly saline, 0 to 1 percent slopes	134.8	43.5%
150	Fallon fine sandy loam, strongly saline, 0 to 1 percent slopes	7.7	2.5%
154	Fernley sand, 0 to 1 percent slopes	9.0	2.9%
<b>Totals for Area of Interest</b>		<b>310.1</b>	<b>100.0%</b>

**Soil and Capability Summary: NAS Fallon Agricultural Outlease  
Parcel 4A02**

Soil Number	Soil Name	Properties				Typical Profile
		Slope	Depth to Restrictive Feature	Capacity of the most Limiting Layer (Ksat)	Depth to Water Table	
101	Isolde-Appian, clay substratum complex, 0 to 4 percent slopes	0 to 4 percent	More than 80 inches	Very high (19.98 to 99.90 in/hr)	More than 80 inches	H1 - 0 to 6 inches: fine sand H2 - 6 to 60 inches: fine sand
132	Dia loam, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	Moderately high (0.20 to 0.57 in/hr)	About 36 to 60 inches	H1 - 0 to 5 inches: loam H2 - 5 to 29 inches: stratified sandy loam to silty clay loam H3 - 29 to 60 inches: sand
135	Dia loam, slightly saline, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	Moderately low to moderately high (0.06 to 0.57 in/hr)	About 36 to 60 inches	H1 - 0 to 5 inches: loam H2 - 5 to 29 inches: stratified sandy loam to silty clay loam H3 - 29 to 60 inches: sand
148	Fallon fine sandy loam, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	Very low to moderately low (0.00 to 0.06 in/hr)	About 36 to 60 inches	H1 - 0 to 14 inches: fine sandy loam H2 - 14 to 24 inches: sandy loam H3 - 24 to 48 inches: loamy coarse sand H4 - 48 to 60 inches: clay
149	Fallon fine sandy loam, slightly saline, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	Very low to moderately low (0.00 to 0.06 in/hr)	About 36 to 60 inches	H1 - 0 to 14 inches: fine sandy loam H2 - 14 to 24 inches: sandy loam H3 - 24 to 48 inches: loamy coarse sand H4 - 48 to 60 inches: clay
150	Fallon fine sandy loam, strongly saline, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	Moderately high (0.20 to 0.57 in/hr)	About 36 to 60 inches	H1 - 0 to 14 inches: fine sandy loam H2 - 14 to 24 inches: sandy loam H3 - 24 to 48 inches: loamy coarse sand H4 - 48 to 60 inches: silty clay loam
154	Fernley sand, 0 to 1 percent slopes	0 to 1 percent	More than 80 inches	High to very high (5.95 to 19.98 in/hr)	About 36 to 60 inches	H1 - 0 to 7 inches: sand H2 - 7 to 60 inches: stratified coarse sand to fine sand

NAS FALLON  
AGRICULTURAL OUTLEASE  
CROPPING PLAN

Lessee: \_\_\_\_\_

Lease Contract Number: \_\_\_\_\_

Parcel Number(s): \_\_\_\_\_

All irrigation water administered by TCID shall be put to Beneficial Use as determined by the Nevada Division of Water Resources.

Number of Water Righted Acres: \_\_\_\_\_

Annual Allocation: \_\_\_\_\_

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Type of Crop: \_\_\_\_\_

Acres: \_\_\_\_\_

Target Date for Planting: \_\_\_\_\_

Target Date for Harvest: \_\_\_\_\_

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Type of Crop: \_\_\_\_\_

Acres: \_\_\_\_\_

Target Date for Planting: \_\_\_\_\_

Target Date for Harvest: \_\_\_\_\_

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Type of Crop: \_\_\_\_\_

Acres: \_\_\_\_\_

Target Date for Planting: \_\_\_\_\_

Target Date for Harvest: \_\_\_\_\_

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\_\_\_\_\_  
Lessee Name (Print)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Date

Please submit a separate signed form for each lease indicating initial cropping plans by **April 1** to: Gary Cottle via email, fax, or mail.

Naval Air Station Fallon  
Environmental Division: Natural Resources  
4755 Pasture Road  
Fallon Nevada 89495-5000  
Fax: (775) 426-2663  
Email: [gary.cottle@navy.mil](mailto:gary.cottle@navy.mil)

Appendix D - Cropping Plan  
Soil and Water Conservation Plan for Agricultural Outlease



REPORT OF ANIMAL UNIT MONTHS GRAZED

**AVERAGE NUMBER OF ANIMAL UNITS GRAZED FOR THE MONTH  
CALCULATIONS**

# of Cows \_\_\_\_\_ x 1.00 = \_\_\_\_\_ x ( # of days cows were on leased area \_\_\_\_\_ /  
# of days in the month \_\_\_\_\_ )

**AUM Cows = \_\_\_\_\_**

# of Bulls \_\_\_\_\_ x 1.25 = \_\_\_\_\_ x ( # of days bulls were on leased area \_\_\_\_\_ /  
# of days in the month \_\_\_\_\_ )

**AUM Bulls = \_\_\_\_\_**

# of Steers (1yr old): \_\_\_\_\_ x 0.75 = \_\_\_\_\_ x ( # of days 1yr steers were on leased area \_\_\_\_\_ /  
# of days in the month \_\_\_\_\_ )

**AUM Steers (1yr old) = \_\_\_\_\_**

# of Steers (2yrs old): \_\_\_\_\_ x 1.00 = \_\_\_\_\_ x ( # of days 2yr steers were on leased area \_\_\_\_\_ /  
# of days in the month \_\_\_\_\_ )

**AUM Steers (2yrs old) = \_\_\_\_\_**

# of Heifers (1yr old): \_\_\_\_\_ x 0.75 = \_\_\_\_\_ x ( # of days 1yr heifers were on leased area \_\_\_\_\_ /  
# of days in the month \_\_\_\_\_ )

**AUM Heifers (1yr old) = \_\_\_\_\_**

# of Heifers (2yrs old): \_\_\_\_\_ x 1.00 = \_\_\_\_\_ x ( # of days 2yr heifers were on leased area \_\_\_\_\_ / #  
of days in the month \_\_\_\_\_ )

**AUM Heifers (2yrs old) = \_\_\_\_\_**

**AUM Cows** \_\_\_\_\_ +

**AUM Bulls** \_\_\_\_\_ +

**AUM Steers (1yr old)** \_\_\_\_\_ +

**AUM Steers (2yrs old)** \_\_\_\_\_ +

**AUM Heifers (1yr old)** \_\_\_\_\_ +

**AUM Heifers (2yrs old)** \_\_\_\_\_ +

**TOTAL AUM:** \_\_\_\_\_

## **AGRICULTURAL OUTLEASE PEST MANAGEMENT PLAN INSTRUCTIONS**

The purpose of the agricultural Crop Pest Management Plan is to provide Navy and Marine Corps installation agricultural outlease managers with information on the pest management activities and chemicals that may be used on leased property. The plan is to be completed by the Lessee and submitted to the installation's DoD agricultural outlease manager. The form is to be updated whenever pest management practices or crops change. For the purposes of the plan, a pest includes diseases, arthropods, nematodes, weeds, rodents, and other organisms that cause harm or are detrimental to the production of the crop.

1. The three page form may be viewed in "Microsoft Word" and filled in and printed, or the form may be printed and the information written on the hard copy form. Use a dark pen and ensure that it is legible. If written entries exceed the space allotted, then use additional lines or sheets.
2. Complete one set of forms for each crop grown.
3. Block 1: Enter the name of the crop grown.
4. Block 2: Enter the season(s) in which the crop will be grown.
5. Block 3: List the specific pests under each category of pest: disease, arthropod, nematode, weed, and other pests. If the treatment will be the same or similar for several pests you may group them together as one pest group. Complete blocks 4 through 7 for each of the pests or pest groups.
  - a. Block 4: List the method(s) that are used by the farmer or pest control advisor to detect the pest. This may include visual observation, trapping, netting, etc. Write the word "Preventive" in this block if the treatment method is to prevent the pest from occurring.
  - b. Block 5: Enter the threshold level at which control will be initiated. If the treatment is preventive, then write "0." If a single observation of an organism or disease symptom is needed to initiate control, then write "1." For all others indicate the number of pests or infected/affected plants per surface unit (i.e. acre, hectare, sq foot).
  - c. Block 6: List the non-chemical methods to control or prevent the pests. If fertilizers are used, then enter "Fertilizer" in this block and do not include the name of chemical fertilizers in Block 7.
  - d. Block 7: List the complete names and EPA registration numbers (as written on the product label) of the chemicals to be used.





1. CROP:				
2. GROWING SEASON(S):				
3. PEST PROBLEM	4. Detection method	5. Action Threshold	6. Non-chemical Control	7. Chemical Control (Product name and EPA Reg No.)
<b>NEMATODES</b>				
<b>WEEDS</b>				
<b>OTHER</b>				

<b>1. CROP:</b>				
<b>2. GROWING SEASON(S):</b>				
<b>3. PEST PROBLEM</b>	<b>4. Detection method</b>	<b>5. Action Threshold</b>	<b>6. Non-chemical Control</b>	<b>7. Chemical Control (Product name and EPA Reg No.)</b>

Approval Date \_\_\_\_\_

Request Date: \_\_\_\_\_

### NAS FALLON FIRE HAZARD ABATEMENT PLAN

Proposed Burn Information:

Weather Forecast:

Parcel# \_\_\_\_\_

Date Time: \_\_\_\_\_

Date: \_\_\_\_\_

Temperature: \_\_\_\_\_

Name of Employee on Site: \_\_\_\_\_

Windspeed: \_\_\_\_\_

Cell Phone Number on Site: \_\_\_\_\_

Direction: \_\_\_\_\_

Required Safety Measures (Each Box Must Be Checked)

- Do not start burn unless weather forecast is favorable for the expected duration of burn.
- Extinguisher or water tank on Site
- No burning in winds above 15 knots or after 1500.
- Confine burning to designated areas only
- Cell Phone on Site
- Shovel on Site
- Fire Watch required until burned areas are cool.

Proposed Burn Procedure (1-2 sentences including the proposed method of start, control, and fire extinguishment): Notify Region Dispatch before burning, call 426-3411.

Submitted By: LESSEE (Print/Sign) \_\_\_\_\_

Approved By: Fire Department Duty Chief (Print/Sign) \_\_\_\_\_

Must receive approval from the Weapons Safety Officer before burning near Weapons Compound, Call 426-2886.

Approved by: Weapons Safety Officer (Print/Sign) \_\_\_\_\_

This approved plan constitutes authority to use prescribed fire and ensures that actions will be taken by approved personnel, acting within the scope of their authority.

Submit Fire Hazard Abatement Plan to: Ray.keegan@navy.mil or mail to:

Federal Fire Department  
Fire Prevention Office  
4755 Pasture Rd., Bldg 18  
Fallon, NV 89496



future Navy agricultural lease Invitations to Bid, including other proposed leases solicited in this Invitation to Bid.

- C. By executing the Bid Form, Bidder acknowledges that the Government may determine any Bidder not responsible, if the Bidder (including any corporate officers, directors, shareholders, partners of partnership, or officers or members of business entity (“Principals”)) submitting a bid is in breach or default of a material provision of an existing or prior Lease at the time of evaluation of Bids under this solicitation.
- D. Bidders must provide full, accurate, and complete information as required by this solicitation and its attachments. The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

**6. AMENDMENTS (if applicable)**

Bidder acknowledges receipts of amendments to the Invitation for Bid

Amendment/Addendum No. \_\_\_\_\_ Initial: \_\_\_\_\_ Date: \_\_\_\_\_

Amendment/Addendum No. \_\_\_\_\_ Initial: \_\_\_\_\_ Date: \_\_\_\_\_

If you are a registered user on NECO, you may add yourself to the Plan Holder List. The Plan Holder List will notify you if there are any updates or amendments to the advertisement. To add yourself to the Plan Holder List: after you click on View Solicitation, locate Plan Holder List (below Issue Date) and click on “Add/Del.”

**7. EXECUTION BY BIDDER**

Name of the bidder (print): \_\_\_\_\_

Signature of person authorized to sign bid:

\_\_\_\_\_ Date: \_\_\_\_\_

Tax Identification Number: \_\_\_\_\_

Street address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Telephone: \_\_\_\_\_