

GROUND LEASE AGREEMENT

This Lease Agreement, made and entered into this _____ day of _____, 2016, between Sedgwick County, Kansas ("Lessor") and William and Sheree Kennedy ("Lessee").

WITNESSETH:

That Lessor, in consideration of rents to be paid and the covenants to be observed as herein set forth, and each and every one of them, does hereby lease and rent to Lessee, for the term and under the conditions herein set forth, to occupy and use only for agricultural purposes, the premises described as follows, to-wit:

LOT 6 BLOCK E CAIN ORCHARD FIRST ADDITION,
LOT 7 BLOCK E CAIN ORCHARD FIRST ADDITION

in Sedgwick County, Kansas, said tracts containing approximately 4.04 acres.

1. TERM. This lease shall be for a period of one (1) year, commencing November 1, 2016 and terminating on October 31, 2017. Provided that no terms or conditions of this lease have been violated, this lease will automatically renew, for successive one year terms beginning on November 1 of subsequent years, for a total of five (5) years, unless written notice is provided by one party to the other no later than thirty (30) days prior to the end of the current lease term. Amendments and alterations to this lease shall be in writing and shall be signed by both Landlord and Tenant.
2. RENT. The rent for said premises shall be the sum of Seventy Three Dollars and Twelve Cents (\$73.12) per year to be paid upon execution of this lease. The above rent is predicated on the leased property consisting of Four and Four One Hundredths (4.04) acres, more or less, of pasture to be rented at \$18.10 per acre per annum. The rent payment shall be paid promptly and without notice and is due each year upon the anniversary date of this lease agreement.
3. TAXES. Lessee shall pay before delinquency all real estate taxes and special assessments levied or imposed against the Premises during the term of Lease. Tenant shall pay before delinquency every tax, assessment, license fee, excise or other charge, howsoever described, which may be imposed, levied, assessed or charged by any taxing authority and which may be payable in respect to or by virtue of Tenant's operations, occupancy, or the conduct by the Tenant of its business at the Premises, including any tax or charge upon fixtures or personal property at the Demised Premises and taxes which may be charged upon Tenant's use and occupation thereof.

Any fees or penalties assessed as a result of a delinquent payment are also the responsibility of the Lessee. Sedgwick County Facility Project Services will send a tax statement to the Lessee each year requesting payment. Payment shall be sent to Project

Services at the address listed in Section 5. If lease is terminated prior to expiration of a term, Lessee shall only be responsible for taxes on a pro-rated basis.

4. INDEMNIFICATION AND HOLD HARMLESS. To the extent provided for by the Kansas Tort Claims Act, (K.S.A. 75-6101 et seq., and amendments thereto) or other applicable law, Lessee will protect, defend, indemnify and save harmless Lessor from and against any and all losses, damages, costs, expenses (including reasonable attorneys' fees), liabilities, claims, demands, and/or causes of action of any nature whatsoever, and any expenses incidental to the defense thereof suffered by or asserted against Lessor and arising out of: (i) any occurrence on the Premises (unless caused by the negligence of the Lessor, its agents, employees and contractors, or the material default of Lessor in the performance of any of its obligations under this Lease), (ii) any condition, maintenance or repair of the Premises which is the responsibility of Lessee, or (iii) failure of Lessee to materially comply with this Lease.

To indemnify the Lessor herein and save it harmless from and against all liability, penalties, damages, expenses and judgments arising from injury or damage to persons or property of any nature, in said premises, or arising from materials or supplies which Lessee uses or maintains in the leased premises, or arising out of Lessee's operation of a business or occasioned by any act or acts, omissions of either Lessee or Lessee's agents or servants except to the extent those injuries occur as a result of Lessor or Lessor's agents; and to this end, to carry a standard Farm Package Policy with liability insurance in an amount not less than \$500,000 per occurrence and listing Sedgwick County as an additionally insured party. Lessee agrees to file with the County Clerk's office a copy of said insurance policy or a certificate showing said insurance in force prior to occupancy and to provide a copy of the policy (and any updates or changes to the policy) to Sedgwick County Facility Project Services during the lease term.

5. NOTICE. All LESSEE correspondence, notices and demands to LESSOR must be given in writing to:

Project Services
Attention: Tania Cole
525 N. Main, Suite 315
Wichita, KS 67203

and

Office of the County Counselor
Attention: Contract Notification
Sedgwick County Courthouse
525 N. Main, Suite 359
Wichita, Kansas 67203

6. All LESSOR correspondence, notices and demands to LESSEE must be given in writing to:

William and Sheree Kennedy
201 E 91st St. S
Haysville, KS 67060

7. USE OF THE PREMISES. It is expressly agreed by the parties hereto that Lessee may use the premises for the pasturing of cattle, and may use water from any ponds or streams on premises for cattle. Lessee shall not operate any portion of the premises as a feedlot or raise other types of livestock on a commercial basis. Lessee will also not alter the basic use of the land without the consent of Lessor. Lessee expressly recognizes that the premises are publicly owned and that the Lessor desires that the premises be used in such a manner that gives the appearance of impartiality in political campaigns and on public issues; as such the Lessee will not use the premises for any partisan or political activity or for any overt public activities that takes a position on policy issues before the County and its agencies. Lessee shall not use or occupy the premises for any use inconsistent with those enumerated in the provisions attached hereto and incorporated herein as Exhibit A, or any unlawful, disreputable, or ultrahazardous business purpose or activity nor operate or conduct its activities in a manner constituting a nuisance of any kind.
8. LESSOR'S COVENANTS. It is agreed by the parties hereto that it shall be the duty and obligation of the Lessor herein:
- a) To deliver the leased premises to the Lessee, at commencement of the term of this lease, in "as is" condition.
 - b) To permit Lessee to use the premises for the use described above.
 - c) That if the Lessee's Covenants are met as herein provided, Lessee shall have the right to the quiet and peaceful possession of said premises for the full term of this lease.
9. LESSEE'S COVENANTS. In consideration of the foregoing, the Lessee hereby agrees:
- a) The premises shall remain in public ownership. Sedgwick County will continue to own the property, with leasing as the only possibility for tenants.
 - b) The premises shall be used only for purposes consistent with sound land management and use, as that term is defined in Title 44, Code of Federal Regulations, Section 206, as it now appears or may hereafter be amended.
 - c) The premises shall only be used for open space, recreational, or wetland management purposes. Lessee shall make no material changes or alteration in said leased premises.

- d) Fencing should be reviewed and approved by Lessor and maintained regularly by the Lessee, not be permanent in nature, and must be functionally related to open space use. Fencing shall be removed by Lessee, at their sole cost, at the termination of the lease if requested by the Lessor.
- e) No buildings, structures, or other improvements are to be erected on the premises, unless such structures (restrooms excepted) are open on all sides and are functionally related to open space use.
- f) Lessee shall not house automobiles, trucks, tractors or other vehicles or otherwise violate local, state or federal laws, statutes, regulations or resolutions.
- g) To permit Lessor, its agents and assigns the right of ingress or egress to inspect the premises with or without notification.
- h) Lessee shall pay Lessor reasonable compensation for any damages to leased premises for which Lessee is responsible, except for reasonable and ordinary wear.
- i) Lessee shall not be eligible for any disaster assistance from any Federal agency resulting from use of these premises.
- j) To keep the leased premises neat, clean, safe and sanitary during the term of this lease; to return the premises in neat, clean, safe and sanitary condition at the end of the term of this agreement; and to observe and comply with all regulations governing said premises made by any proper governing agency as to cleanliness, all without cost or expense to Lessor. This shall include, where applicable, the control of noxious weeds and other vegetation, consistent with sound land management practices.
- k) To allow no waste during occupancy of the premises without the consent of Lessor, natural wear and tear or damage by the elements excepted.
- l) Lessee shall control soil erosion according to common conservation practices, keep in good repair all terraces, open ditches, inlets and outlets, and preserve all established watercourses or ditches including grassed waterways.
- m) To execute and comply promptly with all statutes, ordinances, rules, orders, regulations, and requirements of any governmental entity regulating the premises as well as those pertaining to the retail sale of fireworks by the Lessee.
- n) In all events, Lessee shall not create or cause any liens against said leased premises.
- o) Any breach or threatened breach of the above conditions may be enjoined upon application by the United States of America.

10. TERMINATION.

- a) The Lessor may terminate this lease immediately for breach of the covenants and provisions of the lease by Lessee.
- b) If LESSOR requires the property for municipal purposes during this lease, LESSEE agrees to surrender same upon sixty (60) days' written notice.

At the expiration of this lease, or upon the termination of this lease at any other time, Lessee agrees to give and surrender peaceable possession of the leased premises to Lessor, in as good a condition as when received at the commencement of the lease term.

11. ASSIGNMENT AND SUBLEASE. It is agreed that this lease shall not be assigned by the Lessee, nor the property sublet in whole or in part, without the prior written consent of the Lessor, nor shall this lease, or any interest therein or thereunto be sold or assigned.

12. GENERAL TERMS OF LEASE.

- a) It is particularly understood and agreed that this lease shall not be deemed to be, nor intended to give rise to, a partnership relation.
- b) This lease shall be binding upon the heirs, executors, administrators and successors of both LESSOR and LESSEE in like manner as upon the original parties, except as provided by mutual written agreement.

13. EXHIBIT A. Location map of leased parcels.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first above written.

LESSEE:

By: William A. Kennedy
WILLIAM A. KENNEDY

By: Sherree M. Kennedy
SHEREE M. KENNEDY

SEDGWICK COUNTY, KANSAS:

By: _____
JAMES M. HOWELL, Chairman
Board of County Commissioners

ATTEST:

By: _____
Kelly B. Arnold, County Clerk

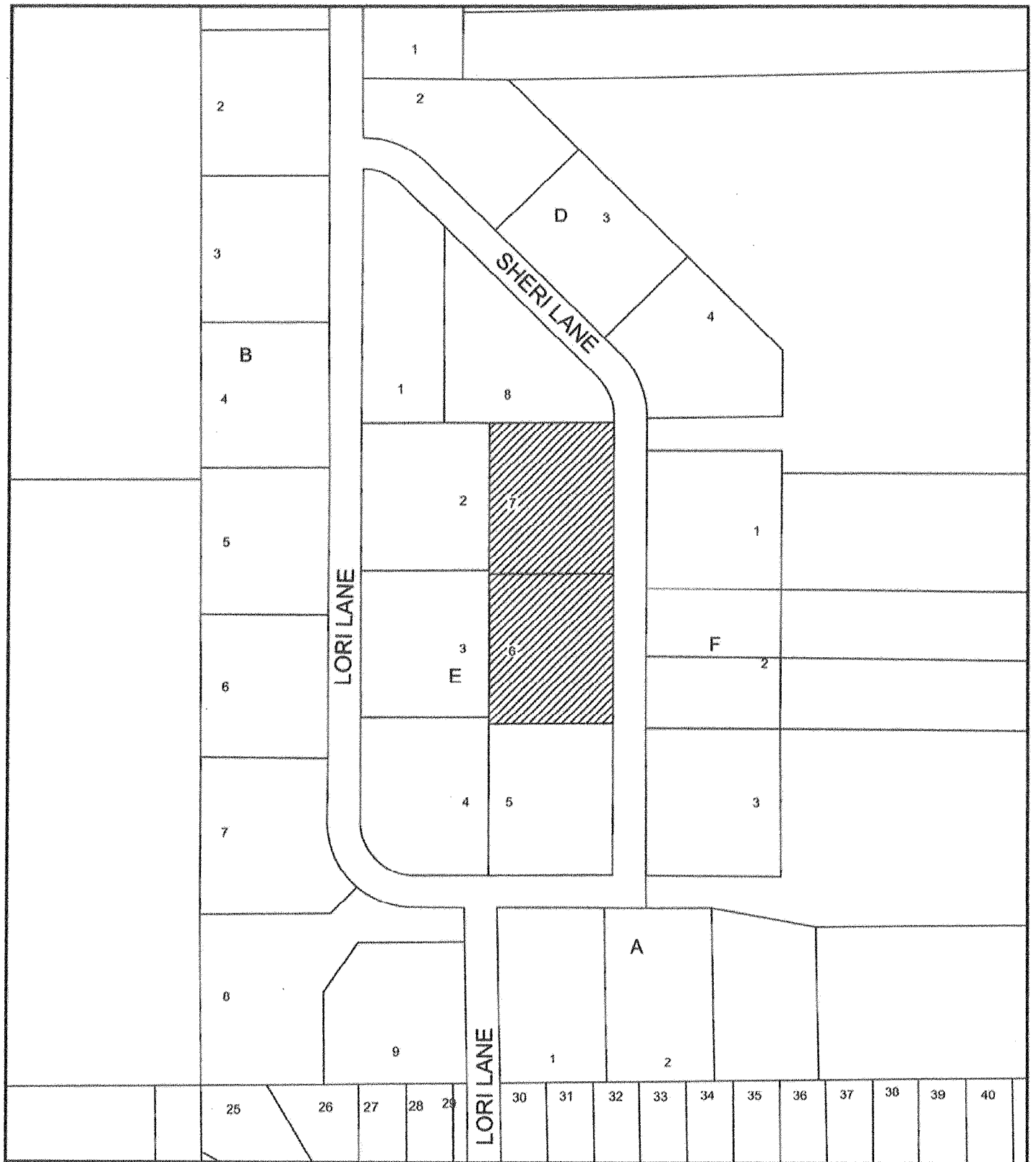
APPROVED AS TO FORM:

By: Justin M. Waggoner
Justin M. Waggoner,
Assistant County Counselor

REVIEWED BY:

By: Tania Cole
Tania Cole,
Project Services Program Manager

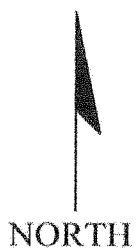
EXHIBIT A



SCALE 1"=300'-0"



LEASED PARCELS



NORTH