

JANE SAMPLE FARM CROP AND GRAZING LEASE OF THE SAMPLE PROPERTY

THIS LEASE is between the City of Boulder, Colorado, a Colorado home rule city ("Owner") and Jane Sample ("Tenant").

In consideration of the covenants set forth herein to be kept by Tenant, and subject to the terms hereof, Owner grants and conveys to Tenant, the right to enter and to use for agronomic crops, haying and grazing purposes only, the Property hereinafter described, together with any improvements thereon, to have and to hold for the term hereof, subject to use by the general public and other uses under Owner's Open Space and Mountain Parks policies, ordinances, regulations and easements, if any. All mineral (including oil and gas) rights are expressly reserved.

The Property, including any associated water rights, is described in Exhibit A, attached and incorporated herein by reference. Unless otherwise stated, the Property includes outbuildings.

Section 1. **TERM OF LEASE**

- 1.1. The term of this Lease shall commence on January 1, 2019 and, unless earlier terminated as herein provided for, end December 31, 2019.
- 1.2. If Tenant continues to use the Property or otherwise holds over after the expiration of any term of this Lease, such continued use shall be for a month-to-month term, ending on the last day of each month. Rent for such month-to-month term shall be a proration of the rent specified herein, and all other provisions of this Lease shall remain in effect.

Section 2. **NO PARTNERSHIP, EMPLOYMENT OR AGENCY**

This Lease is not intended to and shall not be construed as creating a partnership. Neither party shall be liable for debts or obligations incurred by the other. Tenant is not intended to be and is not considered by the parties as an employee or agent of the City of Boulder.

Section 3. **RENT**

- 3.1. The rent shall be \$2,800 per year, due and payable on or before December 15th for each year this Lease is in effect.
- 3.2. Late payments shall be subject to a late penalty computed at a rate of 18% per annum for any portion of the rent outstanding. Failure to pay rent in a timely manner is a ground for termination, as provided in the section below on termination.
- 3.3. Payments shall be made payable to City of Boulder and mailed or delivered to:

City of Boulder
Accounts Receivable
PO Box 791
Boulder, CO 80306-0791

- 3.4. Owner reserves the right to reduce the total acreage granted hereunder when necessary at Owner's sole discretion for the Owner's Open Space and Mountain Parks programs. Any such reduction shall entitle Tenant to a pro rata rent reduction based on the reduced acreage but shall not be grounds for termination of this Lease.

Section 4. **CROP, GRAZING AND WILDLIFE MANAGEMENT PROVISIONS.**

- 4.1. Crop Management and Fertilization

4.1.1. Tenant shall be responsible for crop management and fertilization as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

4.1.2. Cropping systems will be consistent with soil constraints addressed in Exhibit B.

4.2. Grazing, Feeding, Watering

4.2.1. Tenant shall not over graze. The number of Animal Unit Months (AUMs) harvested shall not exceed the amount permitted as shown on Exhibit C, attached hereto and incorporated herein by this reference, unless otherwise approved by Owner's Natural Resource Coordinator. If Tenant exceeds the amount of AUMs permitted, then the Owner may charge Tenant \$25.00 per AUM in excess of the amount permitted and may terminate this Lease. If Owner's Natural Resource Coordinator approves supplemental feeding, Tenant must provide Owner with a record of the types and amounts of supplemental feed provided. Tenant shall not feed sub-therapeutic doses of antibiotics to livestock. Tenant may use antibiotic injections or boluses on individual animals to treat specific illnesses or injuries.

4.2.2. Tenant shall graze only with approval of the Owner's Natural Resource Coordinator and in accordance with Exhibit B.

4.2.3. Tenant shall keep an accurate record of all grazing, by animal type, location and time, sufficient to calculate (AUM's) and shall provide that record to Owner with tenant's rental payment and at other times as Owner requests.

4.2.4. Tenant is responsible for providing livestock water if natural or provided sources of livestock water on the Property, including but not limited to ditches, wells or stock ponds, become unavailable.

4.3. Wildlife Management

All wildlife and wildlife habitat on the Property shall be protected. The precise wildlife and wildlife habitat subject to this section shall be as reasonably determined by Owner's Natural Resource Coordinator from time to time and as more specifically designated or identified in Exhibit B. Protection shall be in accordance with Exhibit B attached and incorporated herein by reference.

4.4. Pipeline

4.4.1. Tenant acknowledges receipt of approximately 700 feet of 10-inch diameter gated pipe from Owner to use on the Property for irrigation.

4.4.2. Tenant shall install gates for the gated pipeline.

4.4.3. Tenant shall maintain and care for the pipeline and replace or reimburse the Owner, at the then current price, for any missing, broken or damaged materials, normal wear and tear excepted, except for damage caused by an Act of God.

4.4.4. Owner and Tenant will assess the pipeline yearly to determine its condition. If Owner determines that damage has occurred to the pipeline due to the negligence of Tenant or that parts are missing, Owner, at its sole discretion, may terminate this Lease upon 30 days notice to Tenant pursuant to Section 11 of this Lease.

4.4.5. Tenant shall contact Owner within five days upon notice that a pipe or fitting is damaged. After inspection by Owner, Tenant shall clean up the broken material and dispose of it according to instructions by Owner.

4.5. Cultural Resource Management

All cultural resources (buildings, structures, sites, areas, or objects having scientific, historic, prehistoric, archaeological or social values) on the Property shall be identified and protected if determined by the owner to be significant. Management and protection of cultural resources shall be in accordance with the Owner's Cultural Resource Guidelines. Known cultural resources on the Property will be managed by the Owner. Tenant shall abide by all management practices listed in Exhibit B and report any potential cultural resource to the Owner within 24 hours of discovery by contacting Owner's Natural Resource Coordinator in person or reporting it to an official representative of the Open Space and Mountain Parks Department by calling (303) 441-3440 and speaking with someone directly rather than leaving a voice message.

4.6. Other Duties

Tenant shall perform the following other duties:

- 4.6.1. Manage grassland impacts according to the guide in Exhibit B attached and incorporated herein by reference.
- 4.6.2. Control weeds on the Property at all times, including, but not limited to, those weeds required to be controlled in the Boulder County Weed Control District. Weed control may be through cultural, mechanical, biological, grazing or chemical methods, or by methods as prescribed by Owner's Natural Resource Coordinator. Herbicide applications shall be limited to Colorado approved chemicals and rates recommended by the City of Boulder Integrated Pest Management Coordinator and approved by Owner's Natural Resource Coordinator. No chemicals shall be used without the prior approval of Owner's Natural Resource Coordinator;
- 4.6.3. Conserve water, including, but not limited to, diligently applying available water shares to land and crops; to irrigate the crops diligently and to prevent soil erosion;
- 4.6.4. Clean, maintain, keep in good working order and repair all irrigation water delivery ditches, headgates, ditch laterals, irrigation structures, and all springs, pipelines, fences, gates, cattle guards, troughs, tanks and other improvements; to care for the Property, including any improvements thereon, and to return same at the termination of this Lease in as good condition as to the beginning of the term hereof, ordinary wear and tear, depreciation, and loss or damage due to the elements excepted.
- 4.6.5. Control insects harmful to growing crops or forage as recommended by Owner's Natural Resource Coordinator. No chemical pesticides shall be used without the prior approval of Owner's Natural Resource Coordinator.
- 4.6.6. Comply with City of Boulder ordinances and policies regarding chemicals and pesticides.

Section 5. TENANT'S INVESTMENT AND EXPENSES

Tenant shall furnish the following items of investment and to pay the following items of expense:

- 5.1. All the implements, machines, equipment and tools necessary for the operation of the Property and performance of Tenant's obligations under this Lease;
- 5.2. The cost of repair and maintenance of the items listed in the preceding paragraph;
- 5.3. The cost of labor for all ordinary repairs and maintenance of improvements;

- 5.4. The cost of materials for building or rebuilding fences, gates and other improvements, except when necessitated by the fault or by the special-use needs of Owner. Fences, when rebuilt or installed by Tenant, shall meet Owner's fencing specifications;
- 5.5. Sufficient labor, including, without limitation, hired labor, for the efficient operation of the Property and the performance of Tenant's undertakings under this Lease;
- 5.6. The parties agree to pay expenses in the proportion or share indicated as set forth in Exhibit B. If Tenant fails to pay its share of any of the above expenses, Owner may pay same and in such event, shall be entitled to immediate reimbursement of the amount thereof from Tenant.

Section 6. INSURANCE

- 6.1. Tenant agrees to procure and maintain in force during the term of this Lease, at its own cost, the following minimum insurance coverage:

General Liability (or comparable farm/ranch liability policy) – per occurrence and in the aggregate - \$1,000,000.

- 6.2. Insurance shall:

- 6.2.1. Provide coverage on an Occurrence Form;
- 6.2.2. Provide coverage at least as broad as Insurance Services Office (ISO) form CG0001;
- 6.2.3. Provide primary coverage;
- 6.2.4. Include the City of Boulder and its officials and employees as additional insureds as their interests may appear; and
- 6.2.5. Issue from a company licensed to do business in Colorado having an AM Best rating of at least A-VI.
- 6.2.6. Before the City executes this Lease, the Tenant shall forward one or more Certificates of Insurance showing the required coverage to:

Lauren Kolb
 Agricultural Resource Coordinator
 City of Boulder
 OSMP-Hub
 2520 55th St
 Boulder, CO 80301

- 6.3. The Certificate Holder shall be the City of Boulder, at the address stated above. Owner reserves the right to reject any insurer it deems not financially acceptable by insurance industry standards.
- 6.4. Within seven days after receiving insurer's notice of cancellation or reduction in coverage, Tenant, or Tenant's insurance broker, shall notify Owner. In either such case, Tenant shall promptly obtain and submit proof of substitute insurance complying with this section.

Section 7. TALLGRASS PRAIRIE PRESERVATION

Owner has a Native Tallgrass Management program that includes the preservation of remnant tallgrass prairie areas on the Property. Tenant shall not interfere with the conduct of such program by Owner. If so requested, Tenant shall manage the Property in accordance with the tallgrass prairie provisions of Exhibit B attached and incorporated herein by reference.

Section 8. WETLAND MANAGEMENT

Tenant shall protect all wetland areas located on the Property as specifically set forth in Exhibit B.

Section 9. CONSERVATION PROGRAMS OR PRACTICES

If Owner shall so request, Tenant shall participate in any applicable conservation or government program or practice designed to aid agriculture. Having entered into any such program or practice, Tenant agrees to comply with and operate the Property in compliance therewith, and if it shall fail to do so, Tenant agrees to indemnify and reimburse Owner for any loss (including loss of income or benefits and penalties) which Owner may suffer by reason of such failure.

Section 10. SENSITIVE, RARE, THREATENED AND ENDANGERED SPECIES

Notwithstanding any other provision of this Lease, Tenant shall engage in such management practices as may be specified from time to time by Owner's Natural Resource Coordinator in order to protect any sensitive, rare, threatened and endangered species on the Property. Such species shall be as designated by Owner's Natural Resource Coordinator from time to time and specifically as designated in the Agricultural Management Plan attached hereto and incorporated herein by reference as Exhibit B.

Section 11. TERMINATION

11.1. Grounds for Termination

The following are grounds for termination of this Lease:

- 11.1.1. Tenant's violation of any provision of this Lease;
- 11.1.2. Tenant's failure to perform any requirement on time;
- 11.1.3. Tenant's inability to perform due to death, or physical, mental, or financial incapacity;
- 11.1.4. Tenant's insolvency or inability to pay debts;
- 11.1.5. Tenant's failure to maintain irrigation systems;
- 11.1.6. Any other cause.

11.2. Notice of Termination and Relinquishment of Property

In the event any ground for termination exists, then by giving at least thirty (30) days written notice to Tenant, Owner may elect to declare this Lease and any other agricultural uses terminated. Tenant shall relinquish all rights to the use of the Property at the end of said notice period and, if Tenant fails to do so, Owner may take such action as Owner may deem necessary (all at Tenant's cost and expense) to enforce removal of Tenant and all of Tenant's possessions and personal property from the property by any legal means available. Tenant shall reimburse Owner for Owner's reasonable attorney fees, including the reasonable cost of legal services provided by the City Attorney's office, and costs and expenses of any suit to remove Tenant.

11.3. Settlement Upon Termination

Upon the termination of this Lease by expiration of its term or otherwise, an accounting shall be had between the parties. Until payment of any amount the accounting may establish as due to Owner, any of Tenant's tools, equipment or livestock remaining on the Property shall be subject to Owner's lien, herein established, and as may be granted by State law. Tenant agrees to transfer, assign or endorse any contracts and payments to Owner or Owner's designee that Tenant participated in under Section 9 of this Lease

11.4. Condition of Property

Upon termination of this Lease, Tenant agrees that the Property will be in as good order and condition as it was at the beginning of the Lease term, ordinary wear and tear, depreciation and loss or damage to the improvements caused by the elements excepted.

Section 12. GENERAL COVENANTS

- 12.1. No work, supplies or materials shall be contracted for in the name of Owner by Tenant.
- 12.2. Tenant agrees to take and use the Property subject to the usual hazards attendant to a farming operation and agrees to assume all risks and liability for accidents to the Tenant, its family, employees, guests, agents and contractors on the Property.
- 12.3. The acceptance of use rights hereunder by Tenant shall be conclusive evidence that Tenant has examined the Property and agrees that the improvements and all fixtures thereon were safe, adequate and suitable for their purposes when Tenant accepted rights to the Property.
- 12.4. Tenant agrees to indemnify and save harmless Owner against any claims, debts, demands or actions of any kind or nature and any related costs and expenses, including reasonable attorney fees, by any person or entity, arising, directly or indirectly, from any occurrence occasioned in whole or in part by Tenant's use of the Property, or by any act, omission or negligence of Tenant, its employees, agents or contractors. Tenant shall store its personal property and shall enter and use the Property at its own risk, and Tenant hereby releases Owner, to the full extent permitted by law, from all claims of every kind, including damage to merchandise, equipment or other property, or damage to business or for business interruption, arising directly or indirectly from Tenant's use of the Property.
- 12.5. Tenant shall not assign this Lease nor lease the Property or any part thereof. No assignment, lease, pledge or mortgage of Tenant's interest herein shall be made. Tenant shall do no act that shall in any way encumber Owner's title to the Property, nor permit the Property to become subject to a lien of any kind.
- 12.6. Owner shall be accorded access to the Property in cases of emergency and at all reasonable times in order to observe Tenant's use of the Property and all farm and ranching activities and to secure its rights and perform its obligations hereunder.
- 12.7. Tenant agrees that any statutory or common law lien on the livestock or products produced on the Property for the faithful performance of Tenant's undertakings is expressly reserved.
- 12.8. Tenant shall not permit or engage in:
 - 12.8.1. burning or cutting trees on the Property or
 - 12.8.2. hunting, trapping or poisoning wildlife on the Property or
 - 12.8.3. any acts prohibited by the Boulder Revised Code, 1981.
- 12.9. Tenant agrees to abide by the Boulder Revised Code, 1981 and all other City ordinances, rules and regulations now in force or as they may be amended from time to time, and to abide by all applicable laws and regulations of any other governmental authority.
- 12.10. Owner may enter into licensing agreements to allow bee hives to be placed on the Property to encourage pollination and plant production.
- 12.11. Except as specifically provided for herein, Tenant shall not construct, nor permit construction of, any structure, building or other improvement on the Property without Owner's prior written approval.

- 12.12. Under Colorado law, Owner's property, including the Property, is exempt from the levy and collection of property tax. Tenant's interest in the Property under this Lease may be taxable. Tenant is responsible for any taxes or assessments, if any, resulting from Tenant's rights of use under this Lease (whether assessed against Owner or Tenant), including, without limitation, any real property taxes and assessments levied against the Property (whether assessed against the Owner or assessed against Tenant, or both) for all time periods starting as of the date of this Lease, and for personal property and sales, use and other taxes related to the business of the Tenant for the same periods.
- 12.13. Tenant shall comply with all applicable laws of the United States, the State of Colorado, Boulder County and the ordinances and codes of the City, in effect as of the date of this Lease or during the term of this Lease.
- 12.14. In the event Owner determines that cattle may need to be kept away from a trail, Owner shall notify Tenant of any steps deemed necessary. Tenant agrees to make a reasonable effort to cooperate with Owner.

Section 13. POSTING OF PROPERTY/USE BY PUBLIC AND OWNER

- 13.1. Owner may post the name and telephone number of Tenant at any entrances to the Property.
- 13.2. Unless the Owner notifies Tenant otherwise, the Property shall remain open to the general public for use under Owner's Open Space and Mountain Parks regulations and ordinances. Tenant shall make the Property available to Owner as Owner may reasonably determine is required for purposes of making the Property suitable and available for such public use.
- 13.3. If Owner determines to close the Property to the general public, Owner shall provide written notice to Tenant of such closure. Owner may post signs as necessary to notify the public.

Section 14. NOTICE

- 14.1. All notices and demands herein required shall be in writing and shall be sufficient if mailed by registered or certified mail, postage prepaid, addressed to each party as follows:

To Owner:

Director of Open Space and Mountain Parks
City of Boulder
P. O. Box 791
Boulder, CO 80306

To Tenant:

Jane Sample
15 Kinnikinic Rd
Boulder, CO 80302

- 14.2. Notice shall be effective as of the date following the date of mailing.

Section 15. SEVERABILITY

If any provision of this Lease shall be unlawful or held to be unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Lease.

Section 16. NON-WAIVER

No assent, express or implied, to any breach of any one or more of the provisions hereof shall be deemed or taken to be a waiver of any succeeding or other breach of the same or a different provision.

Section 17. AMENDMENTS/ENTIRE AGREEMENT

This document contains the entire agreement of the parties and may not be altered or amended except by written document signed by both parties.

Section 18. ADDITIONAL TERMS

18.1 Tenant shall complete a Conservation Plan with a Natural Resources Conservation Service (NRCS) Specialist within six months of lease signing. Tenant shall meet with Owner's Agricultural Resource Coordinator following completion of the NRCS Conservation Plan to develop a stewardship plan outlining practices and technologies from the Conservation Plan that will be integrated into the Tenant's farming operation.

Signature page follows

OWNER

By: _____
Daniel E. Burke, Interim Director
Open Space and Mountain Parks

Date: _____

Copy Received:

John Potter, Resources and Stewardship Manager
Open Space and Mountain Parks

Date: _____

TENANT:

By: _____
Jane Sample

Date: _____

Telephone: 303-441-5555

State of _____)

) ss:

County of _____)

Acknowledged before me this _____ day of _____, 2019 by Jane Sample.

Witness my hand and official Seal.

Notary Public

My Commission expires _____.

State of _____)

(SEAL)

EXHIBIT A

A parcel of land of approximately 56 acres located in the SW ¹/₄ of Section 12, Township 1 North, Range 70 West of the 6th P.M. in boulder County, Colorado.

This excludes the following outbuildings: N/A

Associated City of Boulder water rights: 85 shares of Sample Ditch and Reservoir Company irrigation water

A more complete legal description is available at:

City of Boulder
Open Space and Mountain Parks
66 South Cherryvale Road
Boulder, CO 80303
Phone: (303) 441-3440

Livestock Brand or Brands used by Tenant: N/A

EXHIBIT B

AGRICULTURAL MANAGEMENT PLAN

Property: Sample

Acres: 58

Section 1. Grazing Management

- 1.1. The measure of productivity for grazing land shall be neither the number of animals nor the number of acres but the amount and quality of plants.
- 1.2. Tenant shall be responsible for adjusting the stocking rates as available forage fluctuates throughout the grazing season.
- 1.3. Owner's Natural Resource Coordinator will develop and modify annual grazing plans integrating Resource Conservation staff recommendations and Tenant's ability to meet natural resource management objectives.

Section 2. Proper Grazing Use/Plant Species Management

- 2.1. Tenant shall use such grazing and land management techniques as may be required to prolong the life of desirable forage species; to maintain or improve the quality and quantity of forage; to protect the soil from erosion and compaction; to conserve irrigation water; and to promote the highest ecological development of the plant community.
- 2.2. Proper grazing use is grazing at an intensity that will maintain and/or improve the quantity and quality of desirable vegetation. This practice applies to all land grazed by domestic animals.
- 2.3. Tenant shall not overgraze. Tenant shall graze only if adequate forage is available. Tenant will be responsible for any damage that results from overgrazing. Tenant is responsible for making needed livestock number adjustments during periods of low forage production to help keep the number of livestock in balance with available forage. This determination needs to be made as quickly as practical after it becomes apparent that forage will be in short supply. Delays in adjustment may result in severe damage to pasture and ecology of the area, which shall be grounds for termination of this Lease.
- 2.4. Owner may determine that overuse has occurred and shall notify Tenant pursuant to Section 14 of this Lease. Tenant shall have 72 hours from receipt of notice to reduce the AUMs to the level required by Owner. If Tenant fails to do so, Owner may remove AUMs, and Tenant shall be responsible for any expenses incurred.
- 2.5. Only cattle may be grazed. Any other livestock must be approved, in advance, by Owner, at a price to be determined by Owner. Tenant shall not exceed the stocking rates set forth herein. Tenant shall follow the Open Space Grazing Guide Animal Unit Equivalents as set forth herein.
- 2.6. In the event of a pasture decline, Owner reserves the right to reduce the maximum number of animal units allowed, and if said pasture decline is not the result of the acts or negligence of Tenant, Tenant shall be entitled to a rental rate of \$8.50 per AUM by which the original maximum number allowed exceeds the reduced maximum number allowed as set forth herein.
- 2.7. Tenant shall cause the livestock to be distributed throughout all Property grazed, so as not to allow overgrazing of any portion of the forage.

Section 3. Cultural Resource Management

All known cultural resources on the Property will be managed by the Owner unless otherwise specifically stated. It is a violation of this Lease for the Tenant to improve, alter, destroy, remove or develop any known cultural resource without the Owner's prior written approval. If cultural resources are inadvertently disturbed by any action conducted by the Tenant or authorized by the Owner, further activity which may damage the cultural resource value must be halted, and the Owner shall be notified of the discovery within 24 hours by contacting Owner's Natural Resource Coordinator in person or reporting it to an official representative of the Open Space and Mountain Parks Department by calling (303) 441-3440 and speaking with someone in person directly rather than leaving a voice message.

Section 4. Expenses

The parties agree to pay expenses for the following items in the proportion or share indicated:

4.1. Rangeland Management

Item Expense	Owner %	Tenant %
Weed control – mechanical	0	100
Weed control – chemical	0	100
Weed control application	0	100
Insect control – chemical	0	100
Insect control application	0	100
Fencing, new (required by Owner)	100	0
Fencing, new (not required by Owner)	0	100
Fencing, temporary (required by owner)	100 Materials	100 Labor
Fencing temporary (not required by owner)	0	100
Other		

4.2. Wetland Management

Item Expense	Owner %	Tenant %
Weed control – mechanical	100	0
Weed control – chemical	100	0
Weed control application	100	0
Insect control – chemical	100	0
Insect control application	100	0
Other		

4.3. Subirrigated Pastureland Management

Item Expense	Owner %	Tenant %
Weed control – mechanical	0	100
Weed control – chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Insect control – chemical	0	100
Insect control application	0	100
Other		

4.4. Pasture and Hayland Management

Item Expense	Owner %	Tenant %
Weed control – mechanical	0	100
Weed control – chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Insect control – chemical	0	100
Insect control application	0	100
Fencing, new (required by Owner)	100	0
Fencing, new (not required by Owner)	0	100
Fencing, temporary (required by Owner)	100 (Materials)	100 (Labor)
Fencing, temporary (not required by Owner)	0	100
Irrigation system maintenance	0	100
Irrigation structure replacement (new only)	100	0
Land leveling	0	100
Tillage practices	0	100
Landshaping	0	100
Seedbed preparation (perennial planting)	0	100
Seed (perennial planting)	100	0
Seeding (perennial planting)	0	100
Cover crop planting	0	100
Cover crop seed	100	0
Cover crop yield (gross) crop sharing	0	100
Irrigation water	100	0
Other		

4.5. Cropland Management

Item Expense	Owner %	Tenant %
Weed control – mechanical	0	100
Weed control – chemical	33	66
Weed control application	0	100
Commercial fertilizer	33	66
Fertilizer application	0	100
Insect control – chemical	33	66
Insect control application	0	100
Fencing, new (required by Owner)	100	0
Fencing, new (not required by Owner)	0	100
Fencing, temporary (required by Owner)	100 Materials	100 Labor
Fencing, temporary (not required by Owner)	0	100
Tillage practices	0	100
Land leveling	0	100
Seedbed preparation	0	100
Seed (annual planting)	0	100
Crop yield (gross) crop sharing	33	66
Other	33	66

4.6. Hayland Management N/A

Item Expense	Owner %	Tenant %
Weed control – mechanical	0	100
Weed control – chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Insect control – chemical	0	100
Insect control application	0	100
Fencing, new (required by Owner)	100	0
Fencing, new (not required by Owner)	0	100
Fencing, temporary (required by Owner)	100 Materials	100 Labor
Fencing, temporary (not required by Owner)	0	100
Irrigation system maintenance	0	100
Irrigation structure replacement (new only)	100	0
Tillage practices	0	100
Landshaping	0	100
Seedbed preparation (perennial planting)	0	100
Seed (perennial planting)	100	0
Seedbed (perennial planting)	0	100
Cover crop planting	0	100
Cover crop seed	100	0
Cover crop yield (gross) crop sharing	0	100
Irrigation water	100	0
Other		

4.7. Pastureland Management

Item Expense	Owner %	Tenant %
Weed control - mechanical	0	100
Weed control - chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Insect control - chemical	0	100
Insect control application	0	100
Fencing, new (required by Owner)	100	0
Fencing, new (not required by Owner)	0	100
Fencing, temporary (required by Owner)	100 (Materials)	100 (Labor)
Fencing, temporary (not required by Owner)	0	100
Irrigation water	100	0
Irrigation system maintenance	0	100
Irrigation structure replacement (new only)	100	0
Other		

4.8. Irrigated Alfalfa Establishment

Item Expense	Owner %	Tenant %
Weed control - mechanical	0	100
Weed control - chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Insect control - chemical	0	100
Insect control application	0	100
Irrigation system maintenance	0	100
Land leveling (earth movement by heavy equipment)	100	0
Tillage practices	0	100
Landshaping	0	100
Seedbed preparation (alfalfa)	0	100
Seed Alfalfa	100	0
Nurse and/or cover crop seedbed preparation	0	100
Nurse and/or cover crop seed	0	100
Nurse and/or cover crop seeding	0	100
Other		

4.9. Irrigated Crop Establishment and Management (Annuals Only)

Item Expense	Owner %	Tenant %
Weed control - mechanical	0	100
Weed control - chemical	0	100
Weed control application	0	100
Commercial fertilizer	0	100
Fertilizer application	0	100
Tillage practices	0	100
Seedbed preparation	0	100
Seed	0	100
Seeding	0	100
Crop production sharing	0	100
Cover crop planting	0	100
Cover crop seed	100	0
Cover crop yield (gross) crop sharing	0	100
Irrigation water	100	0
Other		

4.10. Public Restrooms

Item Expense	Owner %	Tenant %
Cleaning and cleaning supplies	100	0
Paper supplies	100	0
Heating	100	0
General maintenance	100	0
Major maintenance	100	0
Other		

4.11. Headquarters

Item Expense	Owner %	Tenant %
Heating, utilities and phone	0	100
General maintenance	0	100
Major maintenance	100	0
Other		

4.12. Grounds and Trails

Item Expense	Owner %	Tenant %
Trash pickup and removal	100	0
General maintenance	100	0
Major maintenance	100	0
Other		

4.13. Parking Lots

Item Expense	Owner %	Tenant %
Grading	100	0
Pot hole filling	100	0
Graveling	100	0
Trash pickup and removal	100	0
General maintenance	100	0
Major maintenance	100	0
Other		

4.14. Roads

Item Expense	Owner %	Tenant %
Grading	100	0
Pot hole filling	100	0
Graveling	100	0
Trash pickup and removal	0	100
General maintenance	0	100
Major maintenance	100	0
Other		

4.15. Horse Barn, Equipment/Hay Barn, Blacksmith Shop, Tool Rooms, Storage Sheds, Wells

Item Expense	Owner %	Tenant %
General maintenance	0	100
Major maintenance	100	0
Other		

4.16. Livery, Corrals, Arena

Item Expense	Owner %	Tenant %
Fence repair	0	100
General maintenance	0	100
Major maintenance	100	0
Other		

4.17. Endangered Species Management

Item Expense	Owner %	Tenant %
Weed control – chemical	100	0
Weed control application	100	0
Weed control – mechanical	100	0
Protective fencing	100	0
Insect control – chemical	100	0
Insect control application	100	0
Labor	100	0
Other		

If Tenant fails to pay its share of any of the above expenses, Owner may pay same and in such event, shall be entitled to immediate reimbursement of the amount from Tenant, or Owner may add said amount to any rent due or to become due under this Lease.

Section 5. Tallgrass Prairie Preservation

- 5.1. Owner's Native Tallgrass Management program may include, but is not limited to, the protection of big bluestem, little bluestem, switchgrass, prairie cordgrass and yellow Indian grass.
- 5.2. Native tallgrasses harvested for hay shall not be harvested before plants reach maturity and set seed, unless earlier harvest is recommended by Owner's Natural Resource Coordinator. Tenant shall cooperate and participate in any additional Native Tallgrass Management practices that may be specified by Owner's Natural Resource Coordinator.
- 5.3. If Owner shall so request, Tenant shall not harvest or graze native tallgrasses. Tenant may be entitled to a rental rebate for native tallgrass crop yields not harvested and AUMs lost because of the Native Tallgrass Management program. Crop yields and AUMs lost shall be as determined by Owner's Natural Resource Coordinator.
- 5.4. Tenant shall not bring supplemental feeds or forages, including, without limitation, small grains, legumes and grasses onto any area of the Property where native tallgrasses grow, as determined by Owner's Natural Resource Coordinator.
- 5.5. Tenant shall follow native tallgrass management guidelines as described in the Colorado Tallgrass Prairie Management Plan and specific Area Management Plans.

Section 6. Wetland Management

- 6.1. Tenant shall protect all wetland areas located on the Property, including, without limitation, City, State and Federal jurisdictional wetlands.

- 6.2. Tenant shall not permit any activities that degrade the water quality of any creek, stream, ditch, lake, reservoir or other body of water located on the Property.
- 6.3. Tenant shall follow Best Management Practices (BMP's) as defined by the City of Boulder Wetlands Protection Program and City of Boulder Wetlands Ordinance when agricultural activity is necessary in wetland or riparian habitats as determined by Owner's Natural Resource Coordinators.
- 6.4. Tenant shall not place salt, livestock materials, supplemental feed or other supplements within a wetland area. Any such items shall be placed on undergrazed sites previously approved by Owner's Natural Resource Coordinator, so as to encourage livestock distribution away from the wetlands.
- 6.5. Any grazing of wetland vegetation shall be subject to Owner's prior approval and shall not be detrimental to the wetland habitat areas.

Section 7. Wildlife Management

Protection shall include, without limitation, the following:

- 7.1. Tenant acknowledges that pregnant wildlife and newborn wildlife are extremely vulnerable during spring and early summer. Therefore, Owner's and Tenant's agricultural management decisions shall give wildlife and wildlife habitat special consideration and protection during this period.
- 7.2. Owner has a wildlife management program that includes the management of prairie dogs. Tenant shall participate and assist in such program if requested by Owner. Under no circumstances shall Tenant authorize or engage in any poisoning, trapping or killing of prairie dogs or other wildlife on any portion of the Property.
- 7.3. Tenant shall protect any wildlife plantings that Owner may establish around the perimeter of the Property from time to time.
- 7.4. Tenant shall give preference to wildlife forage and habitat over that of domestic livestock forage needs when planning grazing management.

Section 8. Crop Management and Fertilization

- 8.1. Tenant shall manage and care for the crop so as to maximize the quality, production and maintenance thereof.
- 8.2. Tenant shall devote the equipment, time and effort necessary to harvest agronomic and hay crops grown on the Property. Harvest shall include, without limitation, cutting, baling, stacking and combining.
- 8.3. Tenant shall fertilize as often as may be required to maintain a healthy crop on both the hayland and pastureland. Fertilization shall be based on needs established by a yearly soil analysis obtained and paid for by Tenant from a testing lab approved by Owner, and on specific crop needs. Fertilization may be by commercial types or livestock dung, barnyard manure or chicken manure. All fertilizers shall be limited to the types and application rates approved by Owner's Natural Resource Coordinator.
- 8.4. Tenant shall harrow livestock manure deposited on the hayland and pastureland on or before May 1 of each year that this Lease is in effect.
- 8.5. Tenant shall maintain an adequate stubble and/or a cropping system that will protect the soil from erosion. Potential erosion hazards will be managed according to U.S.D.A. erosion control guidelines.
- 8.6. Tenant shall maintain a minimum 4-inch stubble height throughout the Property during non-tillage practices.
- 8.7. Tenant shall apply minimum tillage practices as agreed upon for the duration of this Lease.

8.8. Tenant shall not grow transgenic crops on the property. These crops have been genetically engineered to express a desired agronomic trait. Only plants that have acquired agronomic traits(s) through conventional plant breeding techniques may be grown.

Section 9. Land Use Alterations

Unless the prior written consent of Owner is first obtained and except as may be otherwise set forth in this Lease, Tenant shall not move or construct any ditch, level or recontour any land, plow under or change the crop or forage type produced on any field, or do any other act that in any way alters the contour of the land or the use to which any portion of the Property was put at the commencement of this Lease.

Section 10. Proper Perennial Plant Species Management

- 10.1. Tenant shall be responsible for maintaining the perennial plant species located on the Property.
- 10.2. Tenant shall not remove perennial species as ground cover, unless approved by Owner’s Natural Resource Coordinator.

Section 11. Livestock

- 11.1. Tenant shall give preference to wildlife forage and habitat over that of domestic livestock forage needs when planning grazing management.
- 11.2. Only cattle may be grazed. Any other livestock must be approved in advance by Owner, at a price to be determined by Owner. Tenant shall not exceed the stocking rates set forth in the attached grazing plan, except if approved by both Tenant and Owner in writing. Tenant shall follow the Open Space Grazing Guide Animal Unit Equivalents set forth in this Lease.

Section 12. Open Space Grazing Guide - Animal Unit Equivalents

The animal unit is a convenient denominator for use in calculating relative grazing impact of different kinds and classes of domestic livestock and of common wildlife species. An animal unit (AU) is generally one mature cow of approximately 1,000 lbs. and a calf as old as 5 months, or their equivalent as described below. An animal unit month (AUM) is the amount of forage (air-dry) required by an animal unit for one month.

Animal Unit Equivalents Guide			
*Daily avg. forage Consumption (air-dry)			
Kinds and Classes of Animals	Kg/day	Lb/day	Equivalent Animal Unit
Cow, beef (with or without calf)	13.5	30	1.00
Bull, beef (mature)	15.8	35	1.20
Calf, beef (weaning to 2 yrs.)	8.1	18	0.70
Horse, mature (stock horse)	15.8	35	1.20
Bison, cow (mature)	13.5	30	1.00
Bison, Bull (mature)	15.8	35	1.20
Sheep (ewe or ram)	2.7	6	0.20
Antelope	2.7	6	0.20

*Daily average forage consumption: Animal grazing preferences, grazing patterns and food needs generally will differ between animal classes.

EXHIBIT C

AUMs ALLOWED

The table below shows the AUMs limit for each property. Livestock may graze a property only according to the annual Grazing Plan for the property. Supplemental feeding will be subtracted from AUMs harvested according to the “Animal Unit Equivalents Guide” in Exhibit B, Section 12. User must provide a record of supplemental feeds, including the amounts of supplemental feed and the number of days supplemental feeding occurred. User must also provide livestock water.

Property	Acres	AUMs / Acre	AUMs
Seigle	52	1.5	78