

RESOLUTION NO. 16-20

**A RESOLUTION AUTHORIZING A TEN-YEAR LEASE OF
THE CITY'S SOMERVILLE AND ANDERSON RANCH PROPERTIES
TO VANWINKLE RANCH LLC**

WHEREAS, the City of Grand Junction is the owner of the following described real property in the County of Mesa, State of Colorado, to wit:

SOMERVILLE RANCH

TOWNSHIP 1 SOUTH, RANGE 2 EAST, UTE MERIDIAN

- Section 20: NW1/4 SE1/4 SW1/4 and the S1/2
EXCEPT SW1/4 SW1/4
AND EXCEPT NW1/4 SE1/4 SW1/4.
- Section 21: E1/2 SW1/4, SE1/4 NW1/4 and N1/2 NW1/4.
- Section 22: S1/2 NE1/4, SE1/4, N1/2 SE1/4 SW1/4,
SE1/4 SE1/4 SW1/4, and E1/2 SW1/4 SE1/4
SW1/4.
- Section 23: E1/2 SW1/4, NW1/4 SW1/4, E3/4 SW1/4 NW1/4 and
W1/2 SE1/4.
- Section 26: N1/2 SW1/4, SW1/4 SW1/4 and S1/2 NW1/4.
- Section 27: ALL
EXCEPT NE1/4 NE1/4
AND EXCEPT SW1/4 SE1/4 and S1/2 SW1/4.
- Section 28: SE1/4 SW1/4 SW1/4, NE1/4 NE1/4, S1/2 NE1/4,
E1/4 NW1/4 NE1/4, SW1/4 NW1/4, W1/2 NE1/4
NW1/4 and S1/2
EXCEPT SE1/4 SW1/4 SW1/4 SW1/4
- Section 29: SE1/4 NE1/4.
- Section 33: N1/2 NE1/4
- Section 34: ALL,
EXCEPT NE1/4 SW1/4 NE1/4, SW1/4 SW1/4 and
W1/2 NW1/4.
- Section 35: S1/2 NE1/4, N1/2 SE1/4, SE1/4, SE1/4, NE1/4
SW1/4, SE1/4 NW1/4 and W1/2 NW1/4.
- Section 36: SW1/4 NW1/4 and SW1/4

TOWNSHIP 2 SOUTH, RANGE 2 EAST, UTE MERIDIAN

- Section 1: SE1/4NE1/4, SW1/4 NE1/4, S1/2, NW1/4 NW1/4, and S1/2
NW1/4.
- Section 2: NE1/4 SE1/4 and S1/2 SE1/4.
- Section 8: NW1/4 SE1/4 and SW1/4 NE1/4.
- Section 9: NE1/4 SE1/4.

Section 10: NW1/4SE1/4, SW1/4SW1/4, S1/2 NE1/4, NE1/4 SE1/4, N1/2 SW1/4, S1/2SE1/4 and SE1/4 NW1/4.
Section 11: NE1/4, N1/2 SE1/4, N1/2 SW1/4, S1/2 NW1/4, S1/2 SE1/4 and S1/2 SW1/4.
Section 12: N1/2.
Section 15: W1/2NW1/4
Section 17: W1/2 NE/4 and N1/2, NW1/4.

TOWNSHIP 11 SOUTH, RANGE 97 WEST, SIXTH PRINCIPAL MERIDIAN

Section 19: S1/2 SE1/4, SE1/4 SW1/4 and Lot 4.
Section 20: S1/2 SW1/4.
Section 25: S1/4,
EXCEPT S1/2 SE1/4 and 1/2 of the SE1/4 SW1/4
Lying North and East of a diagonal line
Running from the Northwest corner to the
Southeast corner of said SE1/4 SW1/4.
Section 26: SE1/4 SE1/4, W1/2 SE1/4 and SW1/4.
Section 27: W1/2 SE1/4/
Section 28: S1/2
Section 29: N1/2 NE1/4, SE1/4 SE1/4 and W1/2.
Section 30: E3/4.
Section 31: NE1/4 and E1/2 SE1/4.
Section 32: E1/2 NE1/4, W1/2 SE1/4 and W1/2.
Section 33: N1/2, NE1/4 SW1/4 and SE1/4.
Section 34: ALL.
Section 35: ALL.

TOWNSHIP 12 SOUTH, RANGE 97 WEST, SIXTH PRINCIPAL MERIDIAN

Section 30: Lots 11, 13, 14

TOWNSHIP 12 SOUTH, RANGE 98 WEST, SIXTH PRINCIPAL MERIDIAN

Section 12: Lot 13
Section 13: Lot 4
Section 14: Lots 2, 3 and 5
Section 25: SE1/4SE1/4

ANDERSON RANCH

Township 2 South, Range 2 East, Ute Meridian:

Section 13: The South 1/2 of the South 1/2;
Section 23: The NE1/4 of the NE1/4;
Section 24: The North 1/2; AND ALSO, the North 1/2 of the South 1/2.

Township 12 South, Range 98 West, 6th P.M.:

Section 24: The SW1/4 of the SE1/4;

Section 25: The NW1/4; The NW1/4 of the NE1/4; AND ALSO,
that part of the SW1/4 of Section 25 described as Beginning at the
Southwest corner of said Section 25; thence S 89°37' E 335.60 feet;
thence N 35°17' E 1586.60 feet; thence N 33°28' E 1600.00 feet to a
point on the North line of said SW1/4; thence West to the West 1/4
corner of said Section 25; thence S 00°09' E along the West line of
the SW1/4 to the Point of Beginning;

Section 26: Lots 1, 2, 3 and 4;

Section 35: Lots 1 and 2.

WHEREAS, The City Council has reviewed and found to be appropriate a lease of
the Somerville and Anderson ranches (the above described property) to VanWinkle
Ranch LLC for a period of ten (10) years, commencing on May 1, 2020, and expiring on
April 30, 2030.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF GRAND JUNCTION, COLORADO:

That the City Manager be authorized, on behalf of the City and as the act of the
City, to execute the attached Lease Agreement with VanWinkle Ranch LLC for the lease
of the described property for a term of ten (10) years, commencing on May 1, 2010, and
expiring on April 30, 2020.

PASSED and ADOPTED this 15th day of April 2020.

Attest:

W. Winkelman

City Clerk

J. Mark ...

President of the Council



SOMERVILLE RANCH AND ANDERSON RANCH LEASE

THIS RANCH LEASE ("Lease" and/or "Agreement"), effective as of May 1, 2020, is by and between the City of Grand Junction, a Colorado home rule municipal corporation, hereinafter referred to as "City" and VanWinkle Ranch LLC, a Colorado Limited Liability Company, hereinafter referred to as "Lessee", whose address for the purpose of this Lease is 2043 N Road, Fruita, CO 81521.

SECTION ONE DEMISE

City is the owner of the real property described in the attached Exhibit A and generally depicted on an aerial photo in Exhibit C, both of which are incorporated herein by reference, commonly known as the Somerville and Anderson Ranches (Somerville Ranch appears in pink and Anderson Ranch appears in green in Exhibit C) and hereinafter referred to as the "Property", together with the Bureau of Land Management Grazing Permits, known as the Whitewater Common Allotment and the North Fork Allotment, hereinafter referred to collectively as the "BLM Permit".

City offers and VanWinkle Ranch LLC desires to lease the Property under the terms and conditions of this Lease.

NOW, THEREFORE, in consideration of the terms, covenants and conditions herein to be kept by the parties hereto, the City leases to Lessee the Property and the improvements situated thereon.

SECTION TWO BASIC TERM

The basic term of this Ranch Lease shall be for ten years, commencing on the 1st day of May, 2020, and terminating on the 30th day of April 2030.

For the purposes of this Lease, a "lease year" shall mean the period commencing on May 1 of each year during the term of this Lease and terminating on April 30 of the succeeding year.

If Lessee performs as required pursuant to this Agreement as outlined in Appendix A, *Performance Objectives*, and if the City chooses, at its sole option and discretion, to again lease the Property at the expiration of the basic term, the City hereby gives and grants to Lessee an option to extend this Lease an additional ten (10) year period ("second term"). If this Lease is so extended for an additional term, the lease terms shall be upon the same terms and conditions of this Agreement or upon other terms and conditions which may hereafter be negotiated between the parties. In order to exercise Lessee's option for an additional term, Lessee shall give written notice to the City of Lessee's desire and intention to exercise Lessee's option to extend not less than 365 days prior to the expiration of the basic term.

SECTION THREE
RENTAL

Lessee agrees to pay City, as rental for the Property, improvements and appurtenances, the sum of \$368,082.00. Payable as follows:

Lease Year	Total Due	May 1st Payment	December 1st Payment
2020	\$ 34,000	\$ 17,000	\$ 17,000
2021	\$ 34,596	\$ 17,298	\$ 17,298
2022	\$ 35,202	\$ 17,601	\$ 17,601
2023	\$ 35,818	\$ 17,909	\$ 17,909
2024	\$ 36,446	\$ 18,223	\$ 18,223
2025	\$ 37,084	\$ 18,542	\$ 18,542
2026	\$ 37,732	\$ 18,866	\$ 18,866
2027	\$ 38,392	\$ 19,196	\$ 19,196
2028	\$ 39,064	\$ 19,532	\$ 19,532
2029	\$ 39,748	\$ 19,874	\$ 19,874

Lessee may utilize one of the following options for making rental payments:

- a) Lessee may pay the amount due for each lease year in full on or before the payment due date for each lease year, or
- b) Lessee may make bi-annual payments which shall be computed by dividing the amount of the total rent due for each lease year by 2. In the event Lessee chooses to make payments on a bi-annual basis, said payments shall be due and payable, in advance and without demand, on or before the 10th day of May and December during the term of this Lease.

The first payment of \$34,000.00 shall be due and payable on or before May 1, 2020 or if the Lessee chooses the payment may be split with \$17,000.00 due on May 1, 2020 and the other \$17,000.00 shall be paid on or before December 1, 2020.

In the event rental payments are not received on or before the specified due dates, subject to the provisions of Section 13, this Lease shall terminate without notice and the City may immediately retake possession of the Property.

Lessee agrees to timely pay any and all real estate taxes and improvement assessments which may be levied against the Property, and any taxes or assessments levied against the crops, livestock and other personal property of Lessee or any other leasehold interest acquired by Lessee under this Lease. Lessee further agrees to pay any and all utilities, charges, and other expenses incurred in connection with Lessee's use and operation of the Property, including, but not limited to, all charges for natural gas, electricity, telephone and other utilities used on or in connection with the Property. Lessee

shall pay any such charges on or before the date the same become due. If Lessee fails to timely pay any and all amounts required pursuant to this Section 3, the City may pay such amounts and, in such event, the amount(s) paid by the City, plus interest thereon at the rate of 15% per annum, shall be added to the amount(s) of the rent due with the next rental payment and shall be payable to the City by Lessee.

SECTION FOUR RIGHT TO USE OF WATER

The City specifically retains and reserves from the Lease any and all water rights owned by the City, including, but not limited to, any water rights which may have been previously used on or in connection with the Property, for whatever purpose. Subject to the provisions of this Section 4, and Sections 5 and 9, Lessee has the right to use water as the City shall make available to Lessee for use on the Property. The City may, in its sole discretion, on or before the first day of May of each year, notify Lessee in writing of the amount of irrigation water (expressed in terms of cubic feet per second [C.F.S.] or acre feet) which may be available to Lessee to utilize on the Property during that lease year. Lessee shall exercise proper diligence to ensure that the amount of water so made available is utilized to its full extent on and solely for the benefit of the Property and Lessee's operations thereon.

Lessee shall utilize all water released to Lessee for the first and all subsequent lease years on the Property only, and shall do so in a prudent and careful manner in order to obtain the most efficient use of the water for irrigation of the Property and as stock water for livestock kept and maintained on the Property. Lessee shall comply with all rules, regulations and valid administrative orders applicable to the water provided under this Lease.

For the lease year beginning May 1, 2020, Lessee is hereby notified that it may utilize all of the water rights described in the attached Exhibit B. Exhibit B is incorporated by this reference as if fully set forth.

Lessee shall not be charged additional rent or fees for the use of water made available as herein described; provided, however, it shall be the sole responsibility of Lessee to divert and transport such water upon the lands included in this lease to its point of use.

By utilizing the water released to it by the City, Lessee agrees to waive and forego any claim, cause of action or demand Lessee may have against the City, its officers, employees and agents for injury to, or destruction of, any property, real and personal, including any livestock of Lessee or any third person that may be lost, injured, destroyed or devalued as a result of the act, or failure to act, or Lessee or any third person; and to indemnify the City, its officers, employees agents and to hold the City, its officers, employees and agents harmless from any and all claims, damages, actions, costs and expenses of every kind in any manner arising out of, or resulting from, Lessee's use or non-use of the water.

SECTION FIVE
CULTIVATION – IRRIGATION – WEED CONTROL

Lessee shall cooperate with and assist the City in developing and implementing long-range programs to ensure that the water and water rights associated with the Property are put to beneficial use on the Property. Lessee shall increase the use of the water historically adjudicated to the Property and improve efficiency of the application and use. Lessee shall, at Lessee's sole cost, provide the labor and capital necessary to improve crop production on the Property through the rehabilitation and maintenance of existing fields.

Lessee shall furnish, at Lessee's sole expense, all labor, seed and machinery during the term of this Lease, and shall plant, raise, cultivate, irrigate and thresh all crops grown on the demised premises at Lessee's own expense. Lessee shall be entitled to and responsible for all proceeds and debts and debt losses incurred and associated with all crops grown on the premises.

Lessee shall cultivate and irrigate the Property in a good and husbandry manner in accordance with the best methods of cultivation and irrigation practiced in Mesa County, Colorado.

Lessee agrees to cooperate and comply with all farm crop programs promulgated by the United States, the State of Colorado, and Mesa Conservation District.

The type and quantity of fertilizer, herbicides and other chemicals shall be selected with the advice and consent of the City.

Lessee shall be responsible for ensuring that the water is transported through clean irrigation ditches of adequate size to divert and transport such water upon the lands included in this lease to its point of use.

Lessee's right to use the water as described above shall be subject to the express conditions of this Section 5. If the City in its sole discretion, requires the use of some or all of the water described in this Lease notwithstanding prior notice to the contrary, the City has the right, upon 15 days written notice to Lessee, to use, transfer and possess all of the water described in this Lease at locations and for the purposes deemed necessary by the City, even though such purposes and locations are adverse to the needs and uses of Lessee. The City understands that Lessee considers 15 days short notice and will endeavor to give earlier notice when reasonably possible.

City shall be responsible for adjusting all head-gates in a manner that provides for releasing to the Property the proper amount of water that is adjudicated to, or may be beneficially applied for the benefit of, the Property. If requested by the City, Lessee shall record the dates and amounts of irrigation and the number of acres on which water is applied to adequately provide for the development of historic consumptive use records.

Under the City's direction and oversight, Lessee shall be responsible for: (a) measuring and recording water flow information at all weirs, flumes and other measuring and gauging devices, either now in place or installed in the future, and the amount of water being delivered to the Property during the irrigation season (April – October of each lease year); and (b) measuring, estimating and recording the return flow from irrigated fields while under irrigation.

Lessee shall be responsible for providing the labor and capital necessary to maintain existing ditches and laterals and for relocating ditches and laterals as determined by the operation plan referred to in Section 12.

Lessee shall be responsible for control and removal of all noxious weeds, Tamarisk and Russian Olive trees on the properties at Lessee's sole expense. Chemical, mechanical and natural control measures will be undertaken to ensure control and elimination of the invasive species. Each year weed and noxious plant control measures will be reviewed as part of the annual operation plan.

SECTION SIX TENANT COVENANTS

At Lessee's sole cost and expense, Lessee shall install, maintain and repair all fences and gates and shall ensure that all gates and fences upon the Property are properly installed and functioning. All fences shall be "lawful fences" as defined by Colorado law.

At Lessee's sole cost and expense, Lessee shall maintain and keep the Property and all improvements and buildings upon the Property, including, but not limited to, residence(s), dwelling(s), barn(s), shed(s), fixtures, roofing, plumbing, heating and ventilation systems, wiring, glass, fences, gates, wells and well systems, pumps and pump systems, septic systems, cattle guards and all other improvements on the Property, in the same or better condition as they were at the commencement of this Lease or, if improvements have been made, to the condition after improvement, all at Lessee's expense, and at the expiration of this Lease, surrender the Property and improvements thereon to City in as good a condition as when Lessee entered the Property, reasonable use and wear excepted.

Lessee shall keep the Property free from all litter, dirt, debris and obstructions, and shall not commit or permit to be committed any waste on the Property or demised premises. Lessee agrees that all uses shall be lawful uses only. No hazardous wastes shall be kept or discharged on the Property.

Lessee shall install no structural or land improvements without the prior written consent of the City, which consent shall not be unreasonably withheld.

Lessee agrees to waive and forego any claim, cause of action or demand Lessee may have against the City, its officers, agents and employees for injury to or destruction of

any property of Lessee or any third person that may be lost, injured, destroyed or devalued as a result of the act, or failure to act, of Lessee or any third person; and to indemnify the City, its officers, employees and agents and to hold the City, its officers employees and agents harmless from any and all claims, damages, actions, costs and expenses of every kind in any manner arising out of, or resulting from Lessee's use of the Property, not arising from the willful misconduct of the City.

Lessee agrees at Lessee's sole expense and during the term of this Lease, purchase and maintain in effect "Farmowner's Comprehensive" liability and hazard insurance which will protect the City, its officers, employees and agents and assets of the City, from liability in the event of loss of life, personal injury, or property damage suffered by any person or persons on, about or using the Property and a policy which insures the Property and all improvements thereon to the full insurable value. All required policies shall be from a company and in terms and amounts approved by the City. Such insurance shall not be cancelable without thirty (30) days prior written notice to the City and shall be written for at least a minimum of ONE MILLION DOLLARS (\$1,000,000.00), per occurrence for bodily injury, personal injury, and property damage, and \$1,000,000.00 in the aggregate. Comprehensive Automobile Liability insurance shall also be in place with minimum combined single limits for bodily injury of not less than \$500,000.00 for each individual and \$1,000,000.00 for each incident with property damage coverage of at least \$100,000.00. An accord form Certificate of insurance must be deposited with the City on or before May 1 of each year and must designate the City of Grand Junction, its officers, employees and agents as additional insureds. If a policy approved by the City is not at all times in full force and effect, this Lease shall automatically terminate.

Lessee shall comply with all Workers Compensation laws and provide proof of Workers Compensation insurance to the City. Said Workers Compensation insurance shall cover obligations imposed by applicable laws for any employee or person engaged in the performance of work on the Property.

Lessee agrees to use the property for ranching and farming operations only and conduct said operations in a proper and workmanlike manner and in a manner that will not over-graze or cause deterioration of or destruction to the Property.

Lessee agrees to keep the Property and the demised premises free and clear from any and all liens for labor performed and for materials furnished to the Property or demised premises.

Lessee shall immediately notify the City but no later than the end of the next business day of each accident or incident (including activities where law enforcement is involved) involving or occurring on the Property.

SECTION SEVEN
USE OF BLM PERMIT AND CITY LANDS FOR GRAZING

Lessee may maintain livestock on the BLM Permit and on City land. Lessee shall submit a grazing plan to City each year in an annual summary outlining the following years grazing plan. That plan shall include at a minimum, the area being grazed, number of cattle, date cattle on, date cattle off and calculated Animal Unit Months (AUM's). In such event, Lessee shall: cause each and every act to be done in order to maintain the BLM Permit in its current posture and in good standing; pay all fees associated therewith, and, be entitled to the benefits thereof, provided, however Lessee shall be required to maintain all projects associated therewith or incidental thereto and to do every other act to keep the BLM Permit in good standing. This Lease shall, at the option of the City, be terminated immediately should the BLM take any adverse action whatsoever against the BLM Permit.

Lessee shall act immediately to any Notice of Trespass by the City, BLM, Forest Service, Town of Palisade on lands and shall take all measures to remedy all causes of trespass, such as fence and gate repairs, gate closures, actions of the public. Certain ranch lands are of limited carrying capacity or are located on sensitive watershed areas, such as "The Bench" located below the rim of the Grand Mesa on the Somerville Ranch. The Bench is to be used for a limited time, not to exceed twenty days in the spring and eight days in the fall of each year, as a transit point to and from the top of Grand Mesa according to the Grazing Plan, which may be revised annually depending on range conditions. Water supplies are to be improved to ensure stock water at specific locations, reducing cattle access to the Town of Palisade Kruzen Springs Collection System. Spring locations are to be fenced or otherwise made inaccessible by cattle. Cattle remaining on "The Bench" after transit are to be removed as soon as possible.

In the event the City intends to transfer the BLM Permit to a third party during the term of the Lease, City shall notify Lessee including the terms of the transfer. Lessee shall have 30 days to notify the City of its interest to purchase such interest at the price and on the terms set forth in notice from the City. If Lessee elects to purchase such interest or fails to give notice in writing within the 30-day period, City shall be free to otherwise transfer the BLM Permit. If transfer to third party occurs, then the rental amount for the remaining term of the lease may be re-negotiated between the parties and shall become effective on the first day of the first month following completion of the Permit transfer. In the event the parties are unable to agree upon any amendment to rental fees pursuant to this Section 7 by the date aforesaid, then this Lease and Agreement shall automatically terminate, in which event Lessee shall have 30 days to surrender and deliver up the premises and deliver all keys peaceably to the City. Rent, and other sums due hereunder, shall accrue during such 30-day period and Lessee shall continue to abide by the several other obligations herein.

SECTION EIGHT INSPECTION

Lessee warrants that it has thoroughly and carefully inspected the Property and demised premises and accepts the same in its present condition. Lessee agrees that the condition of the Property is sufficient for the purposes of Lessee. The City makes no warranties or promises that the Property is sufficient for the purposes of Lessee.

SECTION NINE CITY'S RIGHT OF ENTRY

During the term of this Lease, Lessee shall have the exclusive right-of-way for ingress and egress, to and from the Property, subject to the provisions contained in this Section 9 and in Section 10.

The City, its officers, agents, and employees retain the right to be on the Property during emergencies and may inspect the Property at anytime without notice. The City, at its option, shall have the right to enter the Property to construct such facilities, as it deems necessary for the City to utilize water and water rights associated with and appurtenant to the Property for municipal or other use. Following such construction the City shall have the right to use said water rights or make them available to the Lessee, as the City deems appropriate.

The City grants to the Lessee all hunting rights concerning the Property as outlined by the terms and conditions of the Hunting Lease Agreement in Appendix B.

SECTION TEN MINERAL RIGHTS

The City retains and reserves for its sole use, lease, sale, or other disposition all oil, gas, coal and other minerals and mineral rights underlying or appurtenant to the Property, together with the rights of ingress and egress to and from the Property for the purpose of exploring, developing, mining, producing and removing any such minerals, oil, gas and coal.

SECTION ELEVEN SURRENDER -- HOLDING OVER

Lessee shall, after the last day of the term of this Lease or any extension or upon earlier termination of this Lease, surrender to the City the Property in good order, condition and state of repair, reasonable wear and use excepted. Lessee shall execute all BLM documents required in order to accomplish a complete surrender of Lessee's interests in the BLM Permit.

Should Lessee fail, for whatever reason, to vacate the premises at the end or when this Lease is terminated, Lessee agrees to pay to the City the sum of \$100.00 per day for

each and every day thereafter. The parties agree that it would be difficult to establish the actual damages to the City in such event and that said \$100.00 is an appropriate and agreed, liquidated damages amount.

Lessee agrees that all fences, gates, fixtures and other improvements of a permanent nature constructed or installed on the Property during the term of this Lease, whether by City or Lessee, shall be and remain the sole property of the City upon termination or expiration of this Lease.

SECTION TWELVE OPERATION AND CAPITAL IMPROVEMENT PLANS – BI-ANNUAL REVIEWS

On or before the first day of July of each lease year, Lessee shall submit to the City Lessee's Capital Improvement Plan. That plan may in the City's sole discretion be extended from year to year or the City may require a new plan each year. Based upon the review of said plan and other budgetary issues the capital improvement plan may or may not be adopted for the following year. The Capital Improvement Plan is not the City's plan and the City has no responsibility under this Agreement to participate in any manner in a capital improvement on the Property.

On or before the 20th day of December of each lease year, Lessee shall submit to the City a livestock and irrigation report specifying, among other things, acreage irrigated amount of water utilized, diversion records, and the length of time irrigation water was applied and specifying the number and type of livestock grazed on the Property. Based upon the review of said report and other operational issues the operation plan may be amended for the succeeding lease years.

SECTION THIRTEEN DEFAULT

Except as otherwise provided for in Section 7, if Lessee is in default in the performance of any term or condition of this Lease, the City, may, at its option, terminate this Lease upon 30 days written notice. If Lessee fails within any such 30-day period to remedy any default specified in the City's notice, this Lease shall automatically terminate. If Lessee remedies such default, Lessee shall not thereafter have the right of 30 days (to remedy) with respect to a subsequent similar default, instead the Lease shall terminate upon the giving of notice by the City

Unless agreed in writing signed by the City, the City's failure at any time to require performance by Lessee of any provision of this Lease shall not waive the City's right subsequently to enforce the same or any other provision or any other preceding or succeeding breach of any term or provision of this Lease. No extension of time for the performance of any obligation or act shall be deemed to be an extension of time for the performance of any other obligation or act under this Lease.

This Lease shall automatically terminate in the event Lessee: becomes insolvent; is subject to a bankruptcy filing whether or not voluntary or involuntary; is subject to an assignment for the benefit of creditors or if a receiver is appointed; if Lessee fails in any manner to comply with any of the terms, covenants, or conditions of this Lease to be kept and performed by Lessee; or should Lessee, by any act of negligence or carelessness, or through any act of commission or omission permit, or suffer to be permitted, damage to the Property or the demised premises in any substantial manner.

If this Lease is terminated by the City, except termination due to expiration of the lease term, Lessee shall have reasonable access to the Property for a reasonable time, not to exceed 30 days, to remove Lessee's personal property.

Upon termination of this Lease, Lessee shall remove all personal property and livestock from the property and demised premises within 30 days from the date of termination. If Lessee fails to remove Lessee's personal property and livestock within the time prescribed, the City shall not be responsible for the care and safekeeping thereof and may remove the same and store the same in a reasonable manner, the cost, expense and risk of which shall be Lessee's. Lessee hereby agrees that items not timely removed may be sold by the City to cover expenses with net proceeds after expenses paid to Lessee. The City may also set off amounts owed under this Lease against proceeds of said sale.

SECTION FOURTEEN MEMBERS IN LIMITED LIABILITY COMPANY AND SUBLEASE

The City is entering into this Lease with VanWinkle Ranch LLC with the knowledge and reliance that Howard VanWinkle and Janie VanWinkle are the only members of the limited liability company. If the number of members or the members themselves change within the limited liability company, the City may terminate this Lease immediately or as soon thereafter as the City determines in its discretion appropriate. The City agrees that Janie and Howard VanWinkle's son, Dean VanWinkle may be included as a member of the limited liability company.

Lessee shall not sublet, assign or transfer any of Lessee's interests in this Lease, or enter into any contract or agreement affecting Lessee's interest in this Lease, without obtaining prior written approval of the City. The City may in its sole discretion withhold consent to subletting, assigning or transfer.

SECTION FIFTEEN DESTRUCTION

If the premises are damaged due to fire or other casualty, the City shall have no obligation to repair the improvements or to otherwise make the premises usable or occupiable; damages shall be at Lessee's sole and exclusive risk. If the City determines not to perform repairs or to otherwise make the premises usable or occupiable, Lessee may terminate this Lease by giving Lessee's notice to the City that the Lease is terminated. The City may, however, at its election, apply the proceeds of any insurance

obtained by Lessee for this purpose, to repair the damaged improvements. If insurance proceeds are not sufficient to fully restore improvements, then the City may, instead of repairing, retain the proceeds.

SECTION SIXTEEN HAZARDOUS SUBSTANCES

Lessee shall not use, store, generate, treat, transport or dispose of any hazardous substances on the Property except for the use and storage of pesticides, fertilizers and materials such as petroleum-based products used in normal farming and ranching operations. The terms "hazardous substances" shall mean any substance defined, regulated, or banned by federal, state, or local laws or regulations which might result in liabilities or responsibilities under CERCLA, RCRA, the Clean Water Act, the Federal Water Pollution Control Act, or any other federal or state environmental protection statutes, laws or regulations. Lessee's use and storage of pesticides, fertilizers, and materials such as petroleum-based products used in normal farming and ranching operations shall be in conformance with all manufacturer's instructions and all applicable federal, state and local laws and regulations. Lessee shall not dispose of such pesticides, fertilizers, and materials such as petroleum-based products used in normal farming and ranching operations on the Property.

SECTION SEVENTEEN PARTNERSHIP – TAXES

It is expressly agreed that this Lease is a lease and not the formation or creation of a partnership or joint venture and the City shall not be or become responsible for any debts contracted or imposed by Lessee. Lessee shall save, indemnify and hold the City, its officers, employees and agents harmless against all liability or loss, and against all claims or actions based upon or arising out of any claim, lien, damage or injury, (including death), to persons or property caused by Lessee or sustained in connection with the performance of this Lease or by conditions created thereby, or based upon any violation of any statute, ordinance, code or regulation, and the defense of any such claims or actions, including attorney's fees. Lessee shall also pay and indemnify the City of Grand Junction, its officers, employees and agents against all liability and loss in connection with, and shall assume full responsibility for payment for all federal, state and local taxes or contributions imposed or required under unemployment insurance, social security and income tax laws, with respect to employees engaged in performance of this Lease.

SECTION EIGHTEEN CITY'S RIGHT TO BUYOUT

In the event the City determines to sell the property or to utilize it for other municipal purposes, other than to lease it for another agricultural operation, the City may, upon expiration of the fourth lease year April 30, 2024 and thereafter anytime during the remaining six years, have the right to terminate this lease by giving two years advanced written notice. In such event, Lessee shall be compensated in an amount equal to one-

half the annual rent for the lease year in which the Lease is terminated. In the event this Lease is terminated pursuant to Section 13, Lessee shall have reasonable access to the Property for a reasonable time, not to exceed 30 days, to remove Lessee's personal property.

SECTION NINETEEN NOTICES

All notices to be given with respect to this Lease shall be in writing delivered either by United States mail or Express mail, postage prepaid, personally by hand or courier service, as follows:

To the City:
City of Grand Junction
Utilities Director
333 West Avenue
Building E
Grand Junction, CO 81501

With Copy to:
City of Grand Junction
City Attorney
250 N. 5th Street
Grand Junction, CO 81501

To Lessee:
Vanwinkle Ranch LLC
c/o Janie VanWinkle
2043 N Road
Fruita, CO 81521

All notices shall be deemed given: (a) if sent by mail, when deposited in the mail; (b) if delivered by hand or courier service, when delivered. The parties may, by notice as provided above, designate a different address to which notice shall be given.

SECTION TWENTY PARAGRAPH HEADINGS

The titles to the paragraphs of this Lease are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Lease.

SECTION TWENTY-ONE GOVERNING LAW

In the event the City uses its City Attorney or engages an attorney to enforce the City's rights hereunder, Lessee agrees to pay for the value or cost of such attorney fees, plus costs, including the costs of any experts. In the event a court of competent jurisdiction deems such previous sentence to be unenforceable, then the parties agree that each party shall pay for such party's own attorney fees unless such party has been determined to have acted in bad faith or frivolously. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of Colorado. Venue for

any action arising out of or under this Lease or the non-performance thereof shall be in the District Court, Mesa County, Colorado.

SECTION TWENTY-TWO
INUREMENT

The provisions of this Lease shall not inure to the benefit of the heirs, successors and assigns of the parties hereto. The obligation of the City to proceed with the terms and conditions of this Lease is expressly subject to the Council of the City approving and ratifying this Lease within thirty (30) days of execution of this Lease by the City Manager. If such approval is not obtained within said 30-day period, then this Lease shall be of no force and effect.

SECTION TWENTY-THREE
ADDITIONAL PROVISIONS

The invalidity of any portion of this Lease Agreement shall not affect the validity of any other provision contained herein. In the event any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provisions.

IN WITNESS WHEREOF, each party to this Lease has caused it to be executed on the date indicated below.

ATTEST:

CITY OF GRAND JUNCTION

Wanda Winkelmann 05/07/2020
Wanda Winkelmann Date
City Clerk

Greg Caton 5/7/2020
Greg Caton Date
City Manager



LESSEE:

LESSEE:

VanWinkle Ranch LLC

VanWinkle Ranch LLC

Howard VanWinkle 4/21/20
Howard VanWinkle Date
Member of VanWinkle Ranch LLC

Jamie VanWinkle 4/21/2020
Jamie VanWinkle Date
Member of VanWinkle Ranch LLC

EXHIBIT A to that certain Ranch Lease dated the _____ day of May, 2020, by and between the City of Grand Junction, a municipal corporation, and VanWinkle Ranch LLC


SOMERVILLE RANCH

TOWNSHIP 1 SOUTH, RANGE 2 EAST, UTE MERIDIAN


- Section 20: NW1/4 SE1/4 SW1/4 and the S1/2
EXCEPT SW1/4 SW1/4
AND EXCEPT NW1/4 SE1/4 SW1/4.
- Section 21: E1/2 SW1/4, SE1/4 NW1/4 and N1/2 NW1/4.
- Section 22: S1/2 NE1/4, SE1/4, N1/2 SE1/4 SW1/4,
SE1/4 SE1/4 SW1/4, and E1/2 SW1/4 SE1/4
SW1/4.
- Section 23: E1/2 SW1/4, NW1/4 SW1/4, E3/4 SW1/4 NW1/4 and
W1/2 SE1/4.
- Section 26: N1/2 SW1/4, SW1/4 SW1/4 and S1/2 NW1/4.
- Section 27: ALL
EXCEPT NE1/4 NE1/4
AND EXCEPT SW1/4 SE1/4 and S1/2 SW1/4.
- Section 28: SE1/4 SW1/4 SW1/4, NE1/4 NE1/4, S1/2 NE1/4,
E1/4 NW1/4 NE1/4, SW1/4 NW1/4, W1/2 NE1/4
NW1/4 and S1/2
EXCEPT SE1/4 SW1/4 SW1/4 SW1/4
- Section 29: SE1/4 NE1/4.
- Section 33: N1/2 NE1/4
- Section 34: ALL,
EXCEPT NE1/4 SW1/4 NE1/4, SW1/4 SW1/4 and
W1/2 NW1/4.
- Section 35: S1/2 NE1/4, N1/2 SE1/4, SE1/4, SE1/4, NE1/4
SW1/4, SE1/4 NW1/4 and W1/2 NW1/4.
- Section 36: SW1/4 NW1/4 and SW1/4

TOWNSHIP 2 SOUTH, RANGE 2 EAST, UTE MERIDIAN

- Section 1: SE1/4NE1/4, SW1/4 NE1/4, S1/2, NW1/4 NW1/4, and S1/2
NW1/4.
- Section 2: NE1/4 SE1/4 and S1/2 SE1/4.
- Section 8: NW1/4 SE1/4 and SW1/4 NE1/4.
- Section 9: NE1/4 SE1/4.
- Section 10: NW1/4SE1/4, SW1/4SW1/4, S1/2 NE1/4, NE1/4 SE1/4, N1/2
SW1/4, S1/2SE1/4 and SE1/4 NW1/4.



City



Lessee

EXHIBIT A (Continued)

Section 11: NE1/4, N1/2 SE1/4, N1/2 SW1/4, S1/2 NW1/4,
S1/2 SE1/4 and S1/2 SW1/4.

Section 12: N1/2.

Section 15: W1/2NW1/4

Section 17: W1/2 NE1/4 and N1/2, NW1/4.

TOWNSHIP 11 SOUTH, RANGE 97 WEST, SIXTH PRINCIPAL MERIDIAN

Section 19: S1/2 SE1/4, SE1/4 SW1/4 and Lot 4.

Section 20: S1/2 SW1/4.

Section 25: S1/4,

EXCEPT S1/2 SE1/4 and 1/2 of the SE1/4 SW1/4
Lying North and East of a diagonal line
Running from the Northwest corner to the
Southeast corner of said SE1/4 SW1/4.

Section 26: SE1/4 SE1/4, W1/2 SE1/4 and SW1/4.

Section 27: W1/2 SE1/4/

Section 28: S1/2

Section 29: N1/2 NE1/4, SE1/4 SE1/4 and W1/2.

Section 30: E3/4.

Section 31: NE1/4 and E1/2 SE1/4.

Section 32: E1/2 NE1/4, W1/2 SE1/4 and W1/2.

Section 33: N1/2, NE1/4 SW1/4 and SE1/4.

Section 34: ALL.

Section 35: ALL.

TOWNSHIP 12 SOUTH, RANGE 97 WEST, SIXTH PRINCIPAL MERIDIAN

Section 30: Lots 11, 13, 14

TOWNSHIP 12 SOUTH, RANGE 98 WEST, SIXTH PRINCIPAL MERIDIAN


Section 12: Lot 13

Section 13: Lot 4

Section 14: Lots 2, 3 and 5

Section 25: SE1/4SE1/4

 City

 Lessee

THE PROPERTY IS SUBJECT TO THE FOLLOWING LEASES:

1. Lease of a 30-foot road right-of-way for ingress and egress to Rocky Mountain Gas Company by instrument recorded August 21, 1975 in Book 1044 at Page 209. This lease affects Sections 25, 26, 35 and 36, Township 11 South, Range 97 West, Sixth Principal Meridian, Mesa County, Colorado.
2. Lease to Pikes Peak Broadcasting Company, a Colorado Corporation, for Purpose of installing and maintaining a television and radio broadcasting antenna and tower with an easement for ingress and egress, recorded December 10, 1979 in Book 1234, Page 293. This lease affects Sections 32, 33, 34, 35 and 36, Township 11 South, Range 97 West, Sixth Principal Meridian, Mesa County, Colorado.
3. Lease to Kenneth Johnson for a term of 50 years for a cabin together with the right of ingress and egress, recorded, recorded May 1, 1972 in Book 975, Page 965. This lease affects the NE1/4 of the NW1/4 of the NW1/4 of Section 27, and the E1/2 of Section 35, Township 11 South, Range 97 West, Sixth Principal Meridian, Mesa County, Colorado, Township 11 South Range 97 West, Sixth Principal Meridian. Mesa County, Colorado.
4. Lease to the United States of America acting through the Bureau of Reclamation, Department of the Interior, for the purpose of ingress and egress to radio repeater station site, recorded September 19, 1988 in Book 1715, Page 690. This lease affects the SW1/4 SW1/4 of Section 25, SE1/4. This lease affects the SW1/4 SW1/4 of Section 25, SE1/4 SE1/4 of Section 26
5. Lease to the U.S. Department of Transportation Federal Aviation Administration for a road right-of-way, 30 feet in width, across sections 26, 27, 34, and 35, Township 11, South Range 97 West, of the 6th Principle meridian, Mesa County, Colorado.

ANDERSON RANCH

Township 2 South, Range 2 East, Ute Meridian:

- Section 13: The South 1/2 of the South 1/2;
Section 23: The NE1/4 of the NE1/4;
Section 24: The North 1/2; AND ALSO, the North 1/2 of the South 1/2.

Township 12 South, Range 98 West, 6th P.M.:

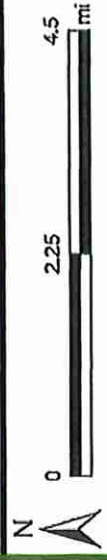
- Section 24: The SW1/4 of the SE1/4;
Section 25: The NW1/4; The NW1/4 of the NE1/4; AND ALSO,
that part of the SW1/4 of Section 25 described as Beginning at the Southwest corner of said Section 25; thence S 89°37' E 335.60 feet; thence N 35°17' E 1586.60 feet; thence N 33°28' E 1600.00 feet to a point on the North line of said SW1/4; thence West to the West 1/4 corner of said Section 25; thence S 00°09' E along the West line of the SW1/4 to the Point of Beginning;
Section 26: Lots 1, 2, 3 and 4;
Section 35: Lots 1 and 2.

 City
 Lessee

Somerville and Anderson Ranch Leases



EXHIBIT
C



Date: 12/16/2019

1 inch = 6,019 feet




Appendix A

Somerville and Anderson Ranch lease:

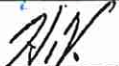
Performance Objectives:

General

1. Lessee will utilize the public and private lands for grazing as appropriate and as outlined in the annual grazing plan submitted to City each December. Cattle trespass situations on US Forest Service lands or BLM lands shall be dealt with promptly. Failure to respond within a 48-hour period after receiving notification of a trespass situation may result in notice to the Lessee of forfeiture of the lease as outlined in Section 13 of this Lease. Close attention to this term is necessary to retain the BLM grazing permit in the Whitewater Common Allotment and to prevent contamination within the Town of Palisade's watershed near Kruzen Springs. Losses of either of these two areas as a result of inadequate cattle management will devalue the City's use and enjoyment of its lands.
2. Water available to City lands, either by *direct* flow or *stored* water, will be utilized by the Lessee to the fullest extent possible, not wasted. Return flows from City lands will be minimized to the extent possible. Flows will be measured where weirs are installed and recorded by the Lessee as flows change at the head-gates to ditches feeding City lands and in the laterals feeding various irrigated pastures. This usage will be recorded in a manner directed by the City when requested. This data will be subject to review at the management meeting held on or before the first day of November of each year between the City Utility Department and the Lessee. Water conservation practices and improvements are important for the Lessee to undertake as, from time to time, water will be removed from ranch lands for other decreed purposes.
3. The Lessee is responsible for improvements to leased properties as stated in the Lease. Work of a permanent nature either to buildings or land is subject to City approval. This includes but is not limited to new roads, new fences, new ditches, woodcutting and drainage improvements. These can be discussed at the bi-annual meetings or at other times arranged between the City and the Lessees.
4. Subleases to or use of City buildings by individual(s), other than the Lessee, must be approved in advance by the City Utility Department. Reimbursements for the sublease, either monetarily or in exchange for services, must be approved by the City.
5. Lessee will utilize the National Resources Conservation Service (NRCS) and will take advantage of appropriate land and water programs available through NRCS. Permanent land and water projects, proposed by the Lessee, will be reviewed for funding from NRCS.



City



Lessee

APPENDIX B

HUNTING LEASE AGREEMENT

THIS HUNTING LEASE AGREEMENT ("Lease" or "Agreement") is made by and between the City of Grand Junction, a Colorado home rule municipality, hereinafter referred to as "the City", and VanWinkle Ranch LLC, hereinafter referred to as "the Lessee".

RECITALS:

A. The City is the owner of real property situated in Mesa County Colorado, commonly known as the Somerville and Anderson Ranches' and hereinafter referred to as "the Property".

B. The Lessee desires to lease the exclusive hunting rights on the Property under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the terms, promises, covenants and conditions herein specified, the parties hereto mutually agree as follows:

1. The City hereby leases to the Lessee the exclusive right to conduct private hunting activities on the Property. The term of this Lease shall commence with the 2020 game hunting season as defined by the Colorado Parks and Wildlife ("the CPW") and terminate upon expiration of the 2029 game hunting season as defined by the CPW.

2. The Lessee agrees to pay to the City as rental for rights granted under this Lease a sum of money which represents twenty percent (20%) of the total fees paid to the Lessee from hunters using and occupying the Property. Said sums of money shall be due and payable to the City in annual installments on or before ten (10) days following the conclusion of the hunting season as defined by the CPW.

3. The Lessee or the Hunting Client, defined below, shall at all times during this Lease secure and maintain in effect all licensing and registration requirements of the Colorado Office of Outfitters Registration, if any. In the event the Lessee or Hunting Client fails to be or become licensed and registered with the Colorado Office of Outfitters Registration when required, or if the Lessee's or Hunting Client's license to provide outfitting services is revoked, for whatever reason, then this Lease shall automatically terminate. It is Lessee's responsibility to ensure that the Hunting Client is licensed and registered if the Lessee is not and its required by law.

4. The Lessee agrees to:

a. Use reasonable care in the use of the Property and to keep the Property free from all litter, debris, human waste, and to provide sanitary human waste facilities on the "Bench" and "Cow Camp" on the Somerville Ranch agreed upon by the City and maintain said facilities in a manner that will not allow human waste to remain upon the surface of the ground or to enter into any water course or water way, including, but not limited to, streams, creeks, ponds, springs, ditches and reservoirs.

b. Waive and forego any claim, cause of action or demand the Lessee may have against the City, its officers, employees and agents, for injury to or destruction of any property of the Lessee or any third party which may be lost, injured, damaged, destroyed or devalued as a result of the act, or failure to act, of the Lessee or any third party; and to indemnify the City, its officers, employees and agents, and to hold the City, its officers, employees and agents, harmless from any and all claims, damages, actions, personal injury (including death), costs and expenses of every kind in any manner arising out of or resulting from the Lessee's use of the Property.

c. Not use the Property for any purpose which is prohibited by the laws of the United States of America, the State of Colorado, the County of Mesa or any other governmental agency having control, jurisdiction or authority over the Property and the Lessee's use thereof. The Lessee agrees to comply with all police, fire and sanitary regulations imposed by any governmental agency either now in force or hereinafter enacted, and to not use the Property for any improper or questionable purposes whatsoever.

d. At the Lessee's sole expense and during the term of this Lease, purchase and maintain in effect suitable Comprehensive General Liability Insurance which will protect the Lessee and the City, its officers, employees and agents from liability in the event of loss of life, personal injury, or property damage suffered by any person or persons on, about or using the Property. Such insurance shall not be cancelable without thirty (30) days prior written notice to the City and shall be written for at least a minimum of \$500,000.00, combined single limit. The certificate of insurance must be deposited with the City and must designate the City of Grand Junction, its officers, employees and agents as additional insureds.

e. Comply with all Workers Compensation laws and, if required by such Workers Compensation laws, provide proof of Workers Compensation insurance to the City. Said Workers Compensation insurance shall cover obligations imposed by applicable laws for any employee engaged by Lessee in the performance of work on the Property.

f. Coordinate the Lessee's activities with the CPW to ensure that the harvest of animals will not exceed the harvest objectives of the CPW.

g. Restrict open campfires and smoking to locations which are acceptable to the City or which meet regulations outlined by Mesa County, Bureau of Land Management, or U.S. Forest Service during times of extreme fire hazard.

h. Provide the City an accurate accounting annually of the amount(s) and type(s) of animal(s) harvested during each season, within ten (10) days following the conclusion of the hunting season as defined by the CPW.

i. Prior to any third party using or occupying the Property for hunting purposes (hereinafter "hunting client"), the Lessee shall obtain for the City a waiver, hold harmless and indemnity agreement prepared by the City and executed by each of the Lessee's hunting clients which provides that each such hunting client agrees to waive and forego any claim, cause of action or demand that each such hunting client may have against the City, its officers, employees and agents, for injury to or destruction of any property of the Lessee's hunting clients which may be lost, damaged, destroyed or devalued as a result of the act, or failure to act, of the Lessee, the Lessee's hunting clients or any third party; and to indemnify the City, its officers, employees and agents and to hold the City, its officers, employees and agents harmless from any and all claims, damages, actions, personal injury (including death), costs and expenses of every kind in any manner arising out of or resulting from the use of or presence on the Property by the Lessee's hunting clients. (See "Appendix C").

5. The Lessee represents that it is familiar with the Property and its boundaries and accept the same in its present condition; The Lessee agrees that the condition of the Property is sufficient for the purposes of the Lessee. The City makes no warranties, representations or promises that the Property is sufficient for the purposes of the Lessee. The Lessee agrees that its use of the Property shall be at the Lessee's own risk; the City shall not be responsible or liable for the success of the Lessee's operation or the loss of profits or opportunities.

6. The Lessee shall endeavor to cause all of its employees and hunting clients to at all times conduct themselves in a proper and responsible manner.

7. The Lessee shall, during the term of this Lease, have the exclusive right to remove trespassers from the Property; provided, however, that the Lessee acknowledges that its exercise of said right shall be at the Lessee's own risk; provided, further, that the Lessee acknowledges that the City, its officers, employees and agents, shall have the right to be on the Property during the term of this Lease and may inspect the Property and the Lessee's occupancy thereof at any time.

8. Notwithstanding anything herein to the contrary, if the Lessee is in default in the performance of any term or condition of this Lease, the City may, at its option, terminate this Lease upon giving three (3) days advanced written notice. If the Lessee fails within any such three (3) day period to remedy each and every default specified in the City's notice, this Lease shall automatically terminate. If the Lessee remedies such default(s), the Lessee shall not thereafter have the right to cure or remedy within three (3) days with respect to the same default(s), but rather, the Lessee's rights under this Agreement shall, with respect to subsequent similar default(s), automatically terminate upon the giving of written notice by the City.

This Lease shall automatically terminate in the event the Lessee: becomes insolvent; is subject to a bankruptcy filing whether voluntary or involuntary; is subject to an assignment for the benefit of creditors or if a receiver is appointed; a member(s) should suffer death or become disabled to the extent that would preclude the Lessee from fulfilling each and every term and condition under this Agreement; fail in any manner to comply with any of the terms, covenants or conditions of this Lease (to be kept and performed by the Lessee); or should the Lessee, its employees or agents, by any act of negligence or carelessness, or through any act of commission or omission permit, or suffer to be permitted, damage(s) to the Property in any substantial manner. In such event, the City may immediately retake possession of the Property and the Lessee agrees that prior monies received by the City shall be retained by the City. The Lessee further agrees that the City shall have the right to sue for the balance of payments not received, to lease the hunting rights on the Property to a third party, and any other lawful remedy.

If this Lease is terminated by the City, except termination due to the expiration of the Lease term, the Lessee shall have reasonable access to and from the Property for a reasonable time, but not to exceed thirty (30) days, to remove the Lessee's personal property. If the Lessee fails to remove the Lessee's personal property within said thirty (30) day period, the City shall not be responsible for the care and safekeeping thereof and may, at its option, remove and store the same in a safe and reasonable manner, the cost, expense and risk of which shall be borne by the Lessee. The Lessee agrees that items not timely recovered by the Lessee may be sold by the City to cover expenses, with net proceeds after expenses paid to the Lessee. The City may, at its option, set off amounts owed under this Lease against the proceeds of said sale.

9. The Lessee shall not sublet, assign or transfer any of its interest in this Lease, or enter into any contract or agreement affecting the Lessee's interests in this Lease without obtaining the prior written approval of the City. The City is entering into this Lease with VanWinkle Ranch LLC with the knowledge and reliance that Howard VanWinkle and Janie VanWinkle are the only members of the limited liability company. If the number of members or the members themselves change within the limited liability company, the City may terminate this Lease immediately or as soon thereafter as the City determines in its discretion appropriate. *The City agrees that Janie and Howard VanWinkle's son, Dean VanWinkle may be included as a member of the limited liability company.*

APPENDIX C

AGREEMENT

As an expressed condition of the right to hunt on property owned by the City of Grand Junction, a Colorado home rule municipality, the undersigned, hereinafter referred to as "the Permittee", does hereby agree to: Indemnify the City of Grand Junction, its officers, employees and agents and to hold the City of Grand Junction, its officers, employees and agents, harmless from all claims, causes of action or demand the Permittee may have against the city of Grand Junction, its officers, employees and agents, for injury to or destruction of any property of the Permittee or any third party which may be lost, injured, damaged, destroyed or devalued as a result of the act, or failure to act, of the Permittee or any third party; indemnify the City of Grand Junction, its officers, employees and agents, and to hold the City of Grand Junction, its officers, employees and agents harmless from any and all claims, damages, actions, personal injury (including death), costs and expenses of every kind in any manner arising out of or resulting from the Permittee's use of or presence upon the Property.

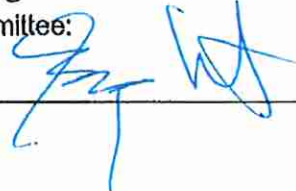
Please Print:

Name of Permittee: GREG CATON

Permittee's Legal Address: 250 North 5th Street

Grand Junction, CO 81501

Signed this 7th day of May, 2020.

Permittee: 

Witness:
By: 