

RESOLUTION NO. 137-00

**EXTENDING THE DRY GRAZING LEASE OF CITY PROPERTY
WITH WILLIAM ARTHUR MERTZ**

WHEREAS, by that certain Dry Grazing Lease Agreement dated the 1st day of January, 1997, as authorized by City Resolution No. 117-96, and that certain Lease Extension Agreement dated the 1st day of January, 1998, as authorized by City Resolution No. 2-98, said instruments hereinafter collectively referred to as the "Lease", the City has leased to William Arthur Mertz the dry grazing rights associated with 240 acres of vacant land located south of Whitewater and west of Highway 50; and

WHEREAS, the term of said Dry Grazing Lease is due to expire on December 31, 2000; and

WHEREAS, William Arthur Mertz is desirous of continuing the lease for an extended three (3) year term.

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

That the City Manager, on behalf of the City and as the act of the City, is hereby authorized to execute the attached Lease Extension Agreement with William Arthur Mertz, extending the term of said Lease for a period of three years, commencing on January 1, 2001, and expiring on December 31, 2003. All other terms, covenants, conditions, restrictions, duties and obligations as they appear in the Lease shall continue in full force and effect during the term of said Lease Extension.

PASSED and ADOPTED this 20th day of December, 2000.

Attest:

/s/ Gene Kinsey
President of the City Council

/s/ Stephanie Nye
City Clerk

LEASE EXTENSION AGREEMENT

THIS LEASE EXTENSION AGREEMENT is made and entered into as of the 1st day of January, 2001, by and between the City of Grand Junction, a Colorado home rule municipality ("the City"), and William Arthur Mertz ("Lessee").

Recitals

A. By that certain Dry Grazing Lease Agreement dated the 1st day of January, 1997, and that certain Lease Extension Agreement dated the 1st day of January, 1998, said instruments hereinafter collectively referred to as the "Lease", the City has leased to Lessee, and Lessee has leased from the City, the dry grazing rights associated with that certain real property ("the Property") described in Exhibit "A" attached hereto and incorporated herein by reference.

B. The Lease is due to expire on December 31, 2000.

C. The City and Lessee each desire to continue the Lease for an extended three (3) year term pursuant to the covenants, conditions, restrictions, duties and obligations of the Lease and as herein provided.

NOW, THEREFORE, in consideration of the terms, covenants and conditions as herein set forth, the parties hereto agree as follows:

1. Term. The term of this Lease Extension shall be for a period of three (3) years, commencing on January 1, 2001, and continuing through December 31, 2003, at which time the Lease shall expire.
2. Rental. The annual rents to be paid to the City by Lessee shall be in the sum of \$475.00 per year, due and payable, without demand by the City, on or before January 10 of each lease year. In the event the payment of rent is not received by the City on or before the specified due dates, Lessee agrees to pay a late charge of \$50.00 for each and every day following the specified due date, which late charge(s) shall be added to the amount of rents due.
3. All other terms, covenants, conditions and responsibilities as they appear in the aforementioned Dry Grazing Lease Agreement dated the 1st day of January, 1997, and the Lease Extension Agreement dated the 1st day of January, 1998, shall continue in full force and effect during the term of this Lease Extension.

Dated the day and year first above written.

Attest:

The City of Grand Junction,
a Colorado home rule municipality

/s/ Stephanie Nye
City Clerk

/s/ Kelly E. Arnold
City Manager

Lessee:

/s/ William A. Mertz
William Arthur Mertz

EXHIBIT "A"

Description of "the Property"

Township 2 South, Range 1 East of the Ute Meridian:

Section 25:

The SE1/4 of the NE1/4 and the NE1/4 of the SE1/4; and also

Township 2 South, Range 2 East of the Ute Meridian:

Section 30:

Lots 2 and 4, excepting therefrom right-of-way for U.S. Highway No. 50, subject to a 25-foot wide nonexclusive easement for ingress and egress purposes across said Lot 2, the center line of said easement being more particularly described as follows:

Beginning at a point on the South line of said Lot 2 from whence the Southeast Corner of said Lot 2 bears East a distance of 180.0 feet; thence running Northeasterly to a point on the East line of said Lot 2 from whence the Southeast Corner of said Lot 2 bears South a distance of 260.0 feet, said point being the Point of Terminus of said easement; and also

Section 31:

The North 1/2 of the NW1/4.

All in the County of Mesa, State of Colorado.