# DEPARTMENT of PUBLIC WORKS



LARRY MILLAR, Director Public Works/Road/Transportation County Engineer

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B-1 2019/90

April 16, 2019

TO:

Board of Supervisors

FROM:

Department of Public Works

RE:

Confirm grazing lease with Jesse Midgley for use of Susanville Ranch

Park for spring 2019 grazing

<u>RECOMMENDATION:</u> That the Board confirm 2019 spring grazing lease with Jesse Midgley for use of Susanville Ranch Park in the amount of \$12.50 per AUM and authorize Richard Egan, CAO, to sign.

<u>DISCUSSION</u>: As part of the vegetation management at Susanville Ranch Park, a bid was let for a spring cattle grazing lease to implement the Park's grazing plan. The initial bid was let in early February with no bids received by February 22, 2019. A second bid was let in early March with one bid submitted on or before March 22, 2019. The winning bid received was from Jesse Midgley in the amount of \$12.50 per AUM. Jesse Midgley is the winning bidder as they were the only bidder meeting specifications.

**ALTERNATIVE** Not approve

<u>FINANCIAL IMPACT</u>: Anticipated revenue to the Natural Resources Budget, Fund 141 of \$750.00.

DEPARTMENTAL APPROVAL:

REVIEWED FOR AGENDA:

# SRP GRAZING BID FORM

## **Bid Award**

The Lease will be awarded to the owner of cattle that offers the highest amount of money and, upon interview by the County agrees to all management requirements to meet the objectives of the Grazing/Range Plan for the Park. A sample lease is attached for your information.

# BIDS MUST BE RETURNED ON THIS FORM

MINIMUM ACCEPTABLE BID IS \$6/AUM for an estimated 60 AUM of forage		
NUMBER & TYPE OF COWS 50 Angus		
NUMBER OF DAYS 60		
BID AMOUNT PER AUM \$ 12.50		
Name, Address & Phone Number of Bidder:		

713-245 Scars Rd Janesuille, Ca 96114 530-249-4302

Signature of Bidder

#### **LEASE**

#### 1. PARTIES:

This Lease is made and entered into this \_\_\_\_\_day of \_\_\_\_\_by and between County of Lassen (hereinafter referred to as "Landlord") and Jesse Midgley (hereinafter referred to as "Tenant").

#### PREMISES:

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, on the same terms and conditions hereinafter set forth, a limited grazing area located thereon situated immediately northwest of the City of Susanville, State of California, commonly known as Susanville Ranch Park and as indicated on attached map (Attachment A).

#### 3. TERM:

The term of lease shall be for <u>60</u> days, commencing on <u>5-26-19</u> and ending on <u>7-24-19</u>.

### 4. RENT:

The Landlord has estimated a feed supply of 60 AUM's.

Tenant shall pay to landlord as rent for the Premises, a price of <u>12.50</u> per AUM for a total sum of <u>\$750.00</u>. One half of total rent, <u>\$375.00</u>, will be due upon the placement of cattle in grazing pasture and the remaining rent amount due upon cessation of tenancy.

In the event that Landlord determines feed supply is higher or lower than estimated 60 AUM's, the final rent payment will be adjusted according to change in duration of cattle on premises.

#### 5. ADDITIONAL CONDITIONS:

- A. Tenant shall place the agreed upon number of cattle, as indicated in Request for Bid (Attachment B), in the grazing area on <u>5-26-19</u>. If cattle are not placed within 3 days proceeding Lease commencement, Tenant agrees to pay a \$50 dollar per day penalty until all of the cattle are placed in grazing area.
- B. Tenant is responsible for transporting cattle to and from the grazing area.
- C. Tenant agrees that all cattle will be removed from the grazing area within 10 days of receiving a written notice, from landlord, of Lease termination. If Tenant wishes to remove cattle from the premises prior to expiration of lease, Tenant agrees to provide landlord with a 10 day written notice prior to cattle removal.
- D. Tenant agrees to sequentially move cattle through three pastures, depicted on Grazing Pasture Map (Attachment A), starting with Dry Meadow Pasture and finishing in Upper Paiute Creek Pasture. Cattle will be moved by Tenant to next successive pasture, upon depletion of available feed as determined by Landlord.

#### 6. HOLDING OVER:

If Tenant, with the Landlord's consent, continues to utilize the grazing area after expiration or termination of the term of this Lease, such possession by Tenant shall be deemed to be a tenancy from day-to-day at a rental rate in the amount of \$12.50 per AUM due upon cessation of tenancy, and upon all the provisions of this Lease applicable to such a day-to-day tenancy.

## 7. MINIMUM LIMITS OF INSURANCE:

Tenant shall maintain limits of General Liability Insurance (indicating County of Lassen as additional insured) no less than \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission to act by Lessee under this Agreement or the general aggregate limit shall be twice the required occurrence limit. Lassen County shall be named as an additional insured.

#### 8. ALTERATIONS AND ADDITIONS:

Tenant shall not, without the Landlord's prior written consent, make any alterations, improvements or additions in or about the Premises. Tenant is authorized to repair any fences necessary to contain cattle within designated grazing area(s).

#### 9. HOLD HARMLESS:

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from Tenant's use or occupancy of the Premises or from the conduct of its business or from any activity, work, or things which may be permitted or suffered by Tenant in or about the Premises including all damages, costs, attorney's fees, expenses and liabilities incurred in the defense of any claim or action or proceeding arising therefrom. Tenant hereby assumes all risk of damage to property or injury to person in or about the Premises.

#### 10. ASSIGNMENT AND SUBLETTING:

Tenant shall not voluntarily or by operation of law assign, transfer, sublet, mortgage, or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises without Landlord's prior written consent which consent shall not be unreasonably withheld.

#### 11. DEFAULT:

It is agreed between the parties hereto that if any rent shall be due hereunder and unpaid, or if Tenant shall default and breach any other covenant or provision of the Lease, the Landlord, after giving the proper notice required by law, may re-enter the Premises and remove any property and any and all persons therefrom in the manner allowed by law. The Landlord may, at its option, either maintain this Lease in full force and effect or recover the rent and other charges as they become due or, in the alternative, terminate this Lease. In addition, the Landlord may recover all rentals and any other damages and pursue any other rights and remedies which the Landlord may have against the Tenant by reason of such default as provided by law.

12. SURRENDER:

On the last day of the term of this Lease, Tenant shall surrender the Premises to Landlord in good condition, ordinary wear and tear and damage by fire and elements excepted.

13. BINDING ON SUCCESSORS AND ASSIGNS:

Each provision of this Lease performable by Tenant shall be deemed both covenant and condition. The terms, conditions and covenants of this Lease shall be binding upon and shall inure to the benefit of each of parties hereto, their heirs, personal representatives, successors and assigns.

14. NOTICES:

Whenever under this Lease a provision is made for any demand, notice or declaration of any kind, it shall be in writing and served either personally or sent by registered or certified United States mail, postage prepaid, addressed at the address as set forth below:

TO LANDLORD AT: County of Lassen

Department of Public Works 707 North Street, Suite 4 Susanville, CA 96130

TO TENANT AT:

Jesse Midgley 713-245 Scars Road Janesville, Ca 96114

Such notice shall be deemed to be received within forty-eight (48) hours from the time of mailing, if mailed as provided for in this section.

#### WAIVERS

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision.

16. TAXATION:

Tenant understands that the leased premises may be subject to property taxation as a possessory interest. Tenant agrees that Tenant will pay all such possessory interest taxes.

The parties hereto have executed this Lease on the date first above written.

LANDLORD:	TENANT:
in	
Richard Egan	Jesse Midgley
County Administrative Officer	
Approved As to Form: 4-3-19	
Lassen County Counsel	