## SECTION 15, REDPATH TOWNSHIP FARM LEASE AGREEMENT

THI	S LEAS	SE AGR	EE	MEN	Γ (this "Le	ease'	') is mad	le and e	ntered	l into this	da	ay of
	, 202	25, (the "	Effe	ective	Date"), by	and	between	the Bois	de Si	oux Wate	rshed Di	strict
("Lessor"),	whose	address	is	704	Highway	75	South,	Wheato	n, M	Iinnesota	56296,	and
		,	an	i	ndividual		("Lessee	e"),	whos	se ad	ldress	is

## RECITALS

**WHEREAS**, Lessor owns property in Traverse County, Minnesota, acquired for the Redpath Flood Impoundment Project and desires to lease the property for the purpose of farming; and

WHEREAS, Lessee desires to lease the property from Lessor for the purpose of farming; and

WHEREAS, the parties desire to reduce their agreement to writing under the terms and conditions set forth herein.

**NOW THEREFORE**, in consideration of the mutual covenants contained in this Lease, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

## **AGREEMENT**

1. **Leased Property**. This Lease covers a portion of the following property in the State of Minnesota, County of Traverse:

Approximately sixty (60) acres of the Southwest Quarter of Section 15, Township 128 North, Range 45 West, Traverse County, Minnesota, LESS that portion described as follows:

Beginning at the southwest corner of said Section 15; thence North 88 degrees 34 minutes 07 seconds East, assumed bearing along the south line of said Section 15, a distance of 2614.31 feet to the south quarter corner of said Section 15; thence North 01 degrees 05 minutes 27 seconds West, along the east line of aforesaid Southwest Quarter, a distance of 715.74 feet; thence North 89 degrees 41 minutes 53 seconds West, 2625.05 feet to the west line of said Section 15; thence South 01 degrees 48 minutes 42 seconds East, along said west line, 795.15 feet to the point of beginning. Said excepted tract contains 45.42 acres more or less.

Subject to the existing public roadway easement over the westerly portion thereof (750th Avenue).

The sixty (60) acres of farmland subject to this Lease is illustrated further in the CRP map attached hereto as <u>Exhibit A</u> consisting of those acres not encumbered under an existing Conservation Reserve Program (CRP) contract (the "Leased Property").

- 2. **Property Condition**. The parcel described above is approximately one hundred fifteen (115) acres consisting of sixty (60) acres of farmland and fifty-five (55) acres enrolled in an existing Conservation Reserve Program (CRP) contract. The Leased Property is exclusive of the CRP-encumbered acres. The Leased Property consists of grass and small, volunteer trees. Lessee is aware of the property's condition and understands that Lessee is responsible for converting the Leased Property into a farmable, cropping condition on or before the third year of this Lease.
- 3. **Taxes and Special Assessments**. Lessor agrees to pay all property taxes and assessments regarding the Leased Property which are payable during the term of this Lease.
- 4. **Lessee's Obligations Use of Premises**. Lessee agrees to the following:
  - a) The Leased Property will be worked into a farmable, cropping condition, without harming, damaging, or interfering with the fifty-five (55) acres enrolled in CRP, on or before the third year of this Lease. Lessee is responsible for the costs and work associated with converting the Leased Property, in its current as-is condition, into a farmable condition with crops harvested by the third year of this Lease.
  - b) The Leased Property will be used for the purpose of planting, growing, fertilizing, spraying, and harvesting crops; tilling, disking, or working the land; and for other agricultural purposes. The Leased Property shall not be used for any other purpose without prior written consent of Lessor.
  - c) Not to assign Lessee's rights and duties under this Lease without the written consent of Lessor. All hunting rights are retained by Lessor.
  - d) To control noxious weeds on the Leased Property in a reasonable manner such that the weeds do not go to seed and mow all road ditches and approaches. If the roadside ditches, roads, or approaches are damaged, Lessee must repair them to the condition that existed before said damage, at Lessee's sole cost.
  - e) To maintain drainage ditches, where applicable, such that the grade and cross section remain the same as they were when this Lease commenced. Lessee will not cause any area that is not currently designated as a "wetland" area to become a "wetland" area because of lack of ditch maintenance thereby causing water to stand or wetland type vegetation to grow. If the Leased Property contains areas designated as "wetland" or "converted wetland," Lessee will not alter these areas in any manner that will cause Lessor to be in violation of USDA/FSA Swampbuster rules and regulations.
  - f) To maintain section lines for access to the Leased Property where applicable.
  - g) To mow and maintain all buffer strips installed pursuant to Lessor's Buffer Rule. If the buffers are damaged by Lessee, Lessee must repair them to the condition that existed before the damage, at Lessee's sole cost.
  - h) To post the Leased Property with "No Hunting or Trespassing without Permission" signs.
  - i) With the exception of converting the Leased Property to farmable land and normal farming activities, Lessee will not alter, make any addition to, or improve the Leased Property, or any existing improvements or fixtures located on the Leased Property, without Lessor's express written consent.

- j) To authorize the Farm Service Agency and crop insurance agencies to release any and all information related to the farmland owned by said Lessor to Lessor. This includes any production records, acreage reporting records (578 producer prints and associated maps), direct payment history prints, conservation contracts, farm data contained on 156-EZ, GIS land use data, applicable CLU data, and commodity/bushels under loan and payment records. This authorization is in effect for the term of this Lease.
- k) Lessor specifically reserves the right of reasonable ingress and egress on the Leased Property, and to enter upon the Leased Property at reasonable times to inspect the Leased Property or for other reasonable uses that do not interfere with Lessee's use of the Leased Property. Lessor will not otherwise interfere with Lessee's quiet enjoyment of the Leased Property. Lessor may enter upon the Leased Property at any time to conduct engineering, environmental, or other inspections, or to otherwise review or inspect the Leased Property.
- 1) To maintain the Leased Property at Lessee's expense, including all input costs and expenses of the farmland, including, without limitation, all labor, fertilizer, seed, chemical, and equipment costs, reasonable grass and weed control, including in all ditches and otherwise adjacent to all roads adjoining the Leased Property.
- m) At Lessee's own expense, promptly comply with all present and future laws, ordinances, rules, and regulations of all federal, state, county, and municipal governments, and any other applicable governmental entity, and their appropriate departments, commissions, boards, and officers, which may be applicable to the Leased Property, the fixtures and equipment on the Leased Property, and Lessee's use of the Leased Property. Lessee's obligations under this section apply to Lessee's application and storage of fertilizers, herbicides, fungicides, and pesticides, and disposal of empty containers. Lessee will not cause any spillage or discharge of any of the above-described materials (in excess of normal applications) or any other hazardous substance, and in no event will Lessee cause any spillage, leakage, or discharge of any hazardous substance into ground water, surface water, and subsurface soils. Lessee will not cause or permit any contamination of any hazardous substance on, in, or under the Leased Property, including, but not limited to, spillage of petroleum products or vehicle fuels, gasoline, kerosene, and other products used for the purpose of generating power, lubrication, illumination, heating, or cleaning, and Lessee will specifically prevent any spilling, leaking, discharging, or dispensing of any of these products in ground water, surface water, or subsurface soils. Lessee agrees to notify Lessor immediately of any conditions on the Leased Property that may not be in compliance with applicable laws, ordinances, rules, or regulations. Lessee agrees to indemnify, defend, and hold Lessor harmless against any loss or damage arising by reason of Lessee's failure to comply with all applicable laws, ordinances, rules, and regulations, including the environmental compliance provisions of this Lease.
- 5. **Term**. This Lease commences on the Effective Date and expires December 31, 2027. Except as set forth in this Lease, or otherwise agreed to in writing, this Lease is not subject to continuation or renewal after the term set forth herein.
- 6. **Rent Due**. The first year's rental payment is due on or before May 1, 2025. Subsequent rental payments are due on or before March 1, annually. The annual payment or other amounts payable by Lessee to Lessor under this Lease that are not paid five (5) days after the due date will bear interest from the date due to the date paid at the rate of twelve percent (12%) per annum, or the maximum rate of interest permitted by law, whichever is less, and the interest will be paid to Lessor on demand.

- 7. **Operations on Premises**. All operations conducted on the Leased Property by Lessee as incidents of any of the uses specified in this Lease will be conducted by Lessee in accordance with the best course of husbandry practiced in the geographical vicinity of the Leased Property. Should Lessee fail to take any action required by the best course of husbandry practiced in the geographical vicinity of the Leased Property, or should Lessee fail to conduct any operation undertaken on the Leased Property in accordance with the best course of husbandry practiced in the geographical vicinity of the Leased Property, Lessor may, after serving ten (10) days written notice of such failure on Lessee in the manner provided for service of notices in this Lease, enter the Leased Property and take such action as Lessor may deem necessary to protect Lessor's interest in this Lease and in the Leased Property. Lessee will reimburse Lessor on demand for the costs of any actions taken by Lessor pursuant to the provisions of this paragraph.
- 8. **Conservation Plan**. If the Leased Property is classified by USDA/FSA as "highly erodible" and a conservation plan is required, Lessee will operate the Leased Property in such a manner as set forth in the conservation plan.
- 9. **Interference with CRP Contract**. Lessee explicitly agrees not to harm, damage, or interfere with the fifty-five (55) acres enrolled in CRP or jeopardize Lessor's CRP contract in any way. In the event Lessee harms, damages, or interferes with the fifty-five (55) acres enrolled in CRP, Lessee will be solely responsible for remedying the harm, damage, or interference at Lessee's sole cost.
- 10. **Default**. Any default by Lessee in the performance of any covenant or obligation required of Lessee under this Lease, including the timely payment of rent and all other amounts due under this Lease, will qualify as a default. If a default occurs, Lessor may give Lessee written notice of termination of this Lease. Upon Lessor's notice of termination, Lessee will surrender the Leased Premises to Lessor in accordance with all of Lessee's obligations under this Lease. Upon written notice of termination Lessor may reenter the Leased Property, and by due process of law, remove Lessee or any person or persons occupying the Leased Property, and may remove all personal property from the Leased Property without prejudice to any remedy which might otherwise be used for the collection of arrears of rent, or for the preceding breach of covenant or conditions. Under no circumstance will termination of said lease relieve any financial obligation of Lessee unless agreed upon by Lessor. In the event Lessor is forced to commence litigation or otherwise consult an attorney as a result of a default by Lessee under the terms of this Lease, Lessor will be entitled to recover from Lessee its reasonable attorneys' fees, costs, and expenses incurred in the litigation or consultation.
- 11. **Surrender of the Leased Property**. At the expiration of the term of this Lease, or upon sooner termination, Lessee will surrender the Leased Property. In the event of early termination, Lessor will allow Lessee to harvest crops from the Leased Property but Lessee must do so as soon as reasonably possible. Lessee agrees to work back the Leased Property in a suitable manner as determined by Lessor, including but not limited to, chisel plowing or deep disking. Lessee will work back the Leased Property as soon as reasonably possible after the crop has been harvested; however, the work back period will not exceed thirty (30) days after harvest. If Lessee fails to work back the Leased Property, Lessor will, at its sole discretion, hire the work done. Lessee, at its sole cost and expense, will compensate Lessor for the work done at the most recent CUSTOM FARM WORK RATES established by the North Dakota State University Extension Service. Failure to compensate Lessor for the total work

- back rate, within thirty (30) days of receipt of the invoice, may result in Lessor seeking damages. Lessor may exercise discretion in enforcing this section.
- 12. **Holding Over**. Any holding over after the expiration of the lease term or any extension of the lease term, with the consent of Lessor, will be a tenancy from year to year, on the terms and conditions specified in this Lease, so far as applicable. Lessor is not obligated to consent to the holdover even if there are standing crops on the Leased Property. In the event Lessor, in its sole discretion, does not consent to the holdover and Lessee has not harvested Lessee's crops, Lessor will assume ownership of the standing crops without the need of a bill of sale or any other document transferring ownership of the crops to Lessor after giving Lessee thirty (30) days' written notice to harvest and remove the standing crops. Lessee will not have any recourse or rights to the standing crops thirty (30) days after the expiration of the lease term or any extension thereof.
- 13. **Remedies.** If Lessee fails to perform any obligations under this Lease within a reasonable time following request or demand from Lessor, Lessor may perform Lessee's obligations and Lessee will reimburse Lessor for all of Lessor's costs and expenses. Lessor's remedies provided in this Lease are cumulative and not exclusive, and are in addition to any and all other remedies available to Lessor under Minnesota law. Lessee will reimburse Lessor for all of Lessor's other costs and expenses incurred in enforcing, collecting, or attempting to collect under this Lease, or incurred in litigating the terms or validity of this Lease.
- 14. **Entire Agreement**. This Lease constitutes the complete and entire understanding of the parties concerning the Leased Property. Neither party shall be bound by or be liable for any statements, warranties, guarantees, or representations not set forth in this Lease which may have been made by any broker, agent, employee, or other person representing or purporting to represent a party to this Lease.
- 15. **Indemnity**. Lessee will release, indemnify, defend, and hold harmless Lessor and Lessor's officers, employees, agents, contractors, and representatives against all liability, claims, demands, actions, causes of action, expenses, losses, or claims for relief as a result of or arising out of: (a) Lessee's use of the Leased Property; (b) any failure by Lessee to perform any covenant required to be performed by Lessee under this Lease; (c) any accident, injury, or damage to person or property from whatever cause while in or on the Leased Property, including any liability for injury to the person or personal property of Lessee, or Lessee's agents, employees, or invitees; (d) failure to comply with any requirements of any governmental authority; and (e) any lien or security interest claimed or filed against the Leased Property, any equipment on the Leased Property, or any materials used in the production, construction, or alteration of any improvement or crops on the Leased Property. Lessee's obligations to release, indemnify, defend, and hold harmless will survive any termination or expiration of this Lease.
- 16. **Insurance**. During the term of this Lease and any renewal or extension, Lessee, at Lessee's own expense, will insure the Leased Property by insurance companies authorized to do business in Minnesota, with a policy or policies which will include coverage for bodily injury, property damage, and personal injury, with a combined policy limit of at least \$1,000,000 per occurrence and \$250,000 per person. Each policy will name Lessee as the insured and will name Lessor as an additional insured. At least ten (10) days prior to entering upon the Leased Property in accordance with this Lease, Lessee will deliver to Lessor certificates of insurance

certifying that Lessee has obtained the requisite insurance, including endorsements, and that those policies are in full force and effect. Lessee will indemnify, defend, and hold harmless Lessor in excess of the minimum insurance requirements set forth above. Lessee waives all rights against Lessor, and its officers, employees, agents, contractors, and representatives for recovery of damages to the extent the damages are covered, or would be covered, by any of those parties' insurance policies. Lessor's receipt of any certificates, policies, or endorsements required under this Lease will not in any way affect Lessee's duties and obligations to maintain the insurance required under this Lease.

- 17. **Headings**. The headings of this Lease are inserted only for the purpose of convenient reference. The headings shall not be used to construe or interpret this Lease or to prescribe the scope or intent of this Lease.
- 18. **Non-Waiver of Breach**. The waiver by any party of a breach of any provision in this Lease shall not operate or be construed as a waiver of any subsequent breach.
- 19. **Severability**. The invalidity or unenforceability of any particular provision of this Lease shall not affect its other provisions. This Lease shall be construed in all respects as if such invalid or unenforceable provision were omitted.
- 20. **Modification**. No change or modification of this Lease is valid unless the same is in writing and signed by the parties to this Lease.
- 21. **Notices**. Any and all notices or other communication provided for in this Lease will be by personal delivery, electronic mail, or by first-class mail which, unless otherwise designated by a party, shall be addressed as described on first page.
- 22. **Relationship of the Parties**. It is understood and agreed that the relationship of the parties to this Lease is strictly that of Lessor and Lessee. Lessee is not and shall not be deemed to be an agent, representative, or employee of Lessor.
- 23. **Binding Effect**. This Lease is binding upon the parties, their heirs, devisees, and legal representatives, except if the land is sold. If Lessor sells any or all of the Leased Property, this Lease expires in the year of the sale. Lessee will be reimbursed for any fall inputs agreed upon by both Lessor and Lessee. Ample time of sale will be given to Lessee to alleviate and additional costs borne by both Lessor and Lessee. The rights and obligations of either party to this Lease may be exercised or satisfied by the party's legal representative.
- 24. **Governing Law**. This Lease will be construed in accordance with, and governed by, the laws of the State of Minnesota. All claims, disputes, and other matters in question arising out of, or relating to, this Lease, or the breach of this Lease, will be decided by proceedings instituted and litigated in a court of competent jurisdiction in Traverse County.
- 25. **Effective Date**. This Agreement becomes effective upon the date of the last signature appearing below.
- 26. **Counterparts**. This Lease may be signed in counterparts, each of which will be deemed an original, and which taken together will be deemed to be one and the same document.
  - **IN WITNESS WHEREOF**, the parties executed this Lease on the dates written below.

		Bois de Sioux Watershed District	
Date:	, 2025	Linda Vavra, President	
		ATTEST:	
Date:	, 2025	Jamie Bever, Administrator	

**LESSOR:** 

[Signatures continue on the following page.]

Date:	, 2025	Signature:	
		Printed Name:	

LESSEE:

## **EXHIBIT A**

MAP OF THE LEASED PROPERTY