

## FARM LEASE

THIS LEASE is entered into between the Cities of Littleton and Englewood, (collectively referred to hereinafter as "Lessor"), and **Craig Farms General Partnership**, (referred to hereinafter as "Lessee"). On this date, Lessor has leased to the Lessee, the following described premises situated in the County of Arapahoe, State of Colorado, to wit:

The E½ of Section 32, Township 3 South, Range 57 West of the 6<sup>th</sup> P.M. consisting of approximately 320 acres, more or less,

Together with all buildings and improvements on the premises (hereinafter referred to as the "Leased Property") in accordance with the following terms:

1. This lease replaces and supersedes in its entirety, any prior lease agreement between the parties concerning the Leased Property. This lease shall be for the term of one (1) year, renewable annually for five (5) years commencing on January 1, 2026, and ending on December 31, 2030. Lease rates may be reviewed and changed at each renewal period. The lease rate shall be \$21.43 (twenty-one dollars and forty-three cents) per acre per year on farmable acres on the Leased Property, calculated to be 320 farmable acres, for a total lease payment per term of \$6,857.60. Payment must be received by the Lessor by December 31<sup>st</sup> for the upcoming crop year. Throughout the duration of this lease agreement, the Lessor reserves the right to conduct land surveys and appraisals that inform subsequent amendments of the established lease rate.

2. The lease payment is to be made payable to the order of: South Platte Renew and delivered no later than December 31 of each term that this lease is in effect to:

South Platte Renew c/o Accounts Receivable  
2900 South Platte River Drive  
Englewood, CO 80110

3. Lessee shall thoroughly plow, cultivate and farm in accordance with good farming practices, all lands comprising the Leased Property that are not in grass, fallowed by mutual agreement of the parties, or otherwise unfarmable. Lessee shall comply with the terms and conditions of all government agricultural programs applicable to the Leased Property, including the Conservation Reserve Program.

4. Lessee shall use the Leased Property as a dryland farm or for livestock grazing (as approved) and for no other purpose whatsoever, and especially will not let or permit the Leased Property to be used for any other business or purpose whatsoever.

5. Lessee shall be responsible for all costs and expenses associated with use of the Leased Property as a dryland farm, except that Lessor, at its own cost and expense, shall be responsible for furnishing, transporting, and applying all fertilizer, in the form of biosolids, to the Leased Property.

6. All fertilizer to be used on the Leased Property shall be transported, furnished, and applied by Lessor at such times and at agronomic rates as determined by Lessor. Lessee shall not

apply any fertilizer on the Leased Property without the prior written consent of Lessor. Lessor may use a portion of the Leased Property for staging areas for biosolids application. Staging area size and location will be as determined by Lessor.

7. Lessee shall not assign this lease, sublet, or relinquish the Leased Property without the express written consent of the Supervisory Committee of South Platte Renew. If the Lessee attempts to assign this lease, sublet, or relinquish the Leased Property without the express written consent of the Supervisory Committee of South Platte Renew, the Lessee shall forfeit all the rights under or by virtue of this lease.

8. Lessee shall protect the Leased Property, including buildings, gates, fences, shrubbery, and improvements thereon from all damages and shall keep the same in the same condition as they are now in, or may be at any time placed in by the Lessor, subject to normal wear and tear. Lessee shall do no act whereby any insurance on buildings may be invalidated and shall not remove, or allow any other person to remove, from the Leased Property any of the buildings, gates, fences, shrubbery, and improvements of any kind.

9. Lessee shall not run furrows so as to cause ditches to wash the Leased Property, unless first having a written consent of the Lessor. Lessee shall clean out and maintain in good repair, during the operation of this Lease, all ditches belonging or appertaining to the Leased Property. The Lessee should coordinate with the Lessor and implement best management practices for erosion control on the Leased Property.

10. Lessee shall well and seasonably put in and tend to the crops grown on the Leased Property, shall have wheat harvested by October 1 of each year and fall crops such as corn, millet or sunflowers harvested by December 31 of each year; and if not harvested as stated, unless a prior agreement was established between both parties, the Lessor may terminate the lease.

11. Lessee shall accept the fences upon said Leased Property as they now are now existing.

12. Lessee shall, at the expiration of this Lease, or upon a breach by the Lessee of any of the covenants herein contained, or upon cancellation of the lease as outlined in paragraph 14, without further notice of any kind, immediately quit and surrender the possession and occupancy of Leased Property in as good condition as careful use and natural wear and tear thereof will permit.

13. All goods and chattels, or any other property used or kept on the Leased Property, shall be held for the rent or damages under this Lease, whether exempt from execution or not, meaning or intending hereby to give the Lessor a valid and first lien upon any and all goods and chattels, crops and other property belonging to the Lessee.

14. Lessee shall cultivate around any structures or facilities on the Leased Property.

15. The Lessor reserves the right to immediately cancel the lease during any term for any of the following reasons, each of which are deemed a breach: (a) if the Lessee should take any action or fail to take any action that threatens the Lessor's interest in the Leased Property, including the violation of any environmental laws, rules, regulations or standards; (b) if the Lessee is not farming the Leased Property at all or not farming in a manner that constitutes good farming practices, in accordance with generally accepted farming practices and the Colorado State Extension Service;

(c) if the Lessor is no longer utilizing the Leased Property for the production of crops. Should Lessor choose to cancel the lease for any of the foregoing reasons, notice of said cancellation shall be effective by mailing notice by regular mail to Lessor at the address provided in this document. Lessor shall not be liable for any costs claimed by Lessee in association with cancelling this lease pursuant to this paragraph.

16. In the event the Lessor exercises the termination right as outlined in paragraph 14, it is understood that the Lessee may retain possession of the Leased Property and harvest the current growing crops before the termination date; however, the Lessee shall not plant any additional crops on the Leased Property after the Lessee's receipt of the notice. If the Lessee has incurred expenses for growing a future crop before receipt of the notice, or if the Lessee fails to harvest the crops on the Leased Property prior to the termination date, the lease will be extended temporarily to allow the Lessee an opportunity to recoup outlaid expenses at the next harvest.

17. Lessor also reserves the right for itself, its agents and its designees, including other government officials, to enter and to have access, at all reasonable times during the term of this lease, to the Leased Property for the purpose of sampling, application, monitoring, testing, screening, mapping, plotting or doing any other procedure, task or function deemed necessary by Lessor, including, but not limited to, inspecting the Leased Property and to make such repairs, additions, or improvements as Lessor may deem necessary.

18. It is understood and agreed that the Lessor reserves the right to cancel this lease at its sole discretion. Should Lessor elect to exercise its right of cancellation without breach by the Lessor, it may do so by written notice addressed to the Lessee at the address of the Lessee provided in this document, on or before October 1, prior to the anniversary date hereof, in which event this lease shall be terminated effective on the anniversary date (January 1) and neither party shall be entitled to further payments or damages as the result of said termination except for any payments due and owing at the time of cancellation.

19. All payments from the Lessee shall become due and payable upon forfeiture of said Lease, or upon abandoning said Leased Property. If Lessor must bring action at law to recover possession, damage or rent, the Lessee agrees to pay a reasonable attorney's fee therefore, and all costs attending the same.

20. Lessee shall indemnify, defend and hold harmless Lessor and its successors, assigns and representatives from and against any and all damages, claims, losses, costs, liabilities, and expenses of any kind whatsoever (including but not limited to reasonable attorney fees) which may be asserted against or suffered by Lessor or the Leased Property or any part thereof, as a result of, on account of or arising from (i) any breach of any covenant, representation; promise, warranty or agreement made by Lessee, or (ii) injuries or damages to person or property resulting or alleged to result from any fault or negligence of Lessee or his agents or employees, or from the possession, use, occupancy, or maintenance of the Leased Property by Lessee, his agents, employees, or affiliates.

21. Lessor reserves the right to sell, contract to sell, or grant easements or rights-of-way over, through, under, or on, the Leased Property at any time during the term of this lease, subject to the rights and interests of the Lessee hereunder. Should the Lessor sell the Property, this lease is transferrable to the buyer.

22. Hunting, of any kind, is not permitted on the Leased Property.

23. Correspondence between the Lessor and Lessee shall occur through emailed communications at a minimum of quarterly frequency. Specific deadlines for quarterly correspondence are March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>. These communications should include status updates on crop rotations and yields, time of cultivation and harvesting periods, and any associated information relevant to the Lessor in regards to biosolids applications. An up-to-date email address and phone number should also be provided by the Lessee for these communications.

24. The Lessee shall provide the Lessor with an annual report summarizing the previous year's crop yield and plan for the subsequent year's crop rotation, cultivation and harvest timing, and expected costs deemed relevant by the Lessor. This report should be submitted by December 31<sup>st</sup> for each term of this agreement.

25. The Leased Property is used for the application of residual biosolids from wastewater. Lessee shall take all reasonable measures to prohibit the general public from accessing the Leased Property.

26. All notices, demands, or other documents required or desired to be given, made or sent to either Party under this Agreement shall be made in writing, shall be deemed effective upon receipt and shall be personally delivered or mailed postage prepaid, certified mail, return receipt requested, as follows:

TO LESSOR:

Cities of Littleton and Englewood  
C/O South Platte Renew  
2900 South Platte River Drive  
Englewood, CO 80110

TO LESSEE:

Craig Farms General Partnership, C/o Jerry Craig  
77201 U.S. Highway 36  
Byers, CO 80103

The addresses for notices may be changed by written notice given to the other Party in the manner provided above.

This lease shall be effective as of the date upon which all three parties have signed below.

LESSOR:

CITY OF ENGLEWOOD

By: \_\_\_\_\_

Date: \_\_\_\_\_

CITY OF LITTLETON

APPROVED AS TO FORM:

By: Kyle Schlachter, Mayor

By: Reid Betzing, City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

LESSEE:

By:  Jerry J. Craig, Managing Partner

Date:  9-24-25