

SAUK COUNTY HEALTH CARE CENTER
CROP LAND LEASE

This lease is made between the County of Sauk, a municipal corporation, with its seat of government located at 505 Broadway Street, Baraboo, Wisconsin, herein called Lessor, and _____, herein called Lessee.

Lessor hereby leases to Lessee the premises, situated in the Town of Reedsburg, County of Sauk, and State of Wisconsin, known and described as follows:

Sauk County Farm Cropland, approximately 261.75 (two hundred sixty-one and seventy five hundredths) acres of tillable crop land and a cold storage shed and barn, herein referred to as buildings, located adjacent to the former Sauk County Health Care Center. (See Exhibit A, attached and incorporated herein.) Woodlands are not included as leased property in any parcel.

upon the following TERMS AND CONDITIONS:

1. **Term and Rent.** Lessor demises the above premises for a term of three (3) years, commencing on March 1, 2015, and terminating on February 28, 2018. The rent for said premises shall be \$XX,XXX Dollars (\$XX,XXX) per year, payable in semiannual, equal installments of \$XX,XXX Dollars (\$XX,XXX) due in advance of the first day of March and the first day of December, during the term of this lease. All rental payments shall be made to Lessor, at the Sauk County Conservation, Planning, and Zoning Department, 505 Broadway, Baraboo, Wisconsin 53913.

2. **Use.** Lessee shall use and occupy the cropland for planting and harvesting crops only and the metal shed and barn for storage only. The premises shall be used for no other purpose. Lessee shall follow the Soil Conservation Plan on file with the Sauk County Conservation, Planning, and Zoning Department to maintain existing conservation practices for the farm which meets tolerable soil loss limits "T". A copy of the current plan is attached and incorporated herein as Exhibit B: (Crop Spread Sheet) which is a binding part of this lease.

3. **Care and Maintenance of Premises.** Lessee acknowledges that the premises are in good order and repair. Lessee shall, at his own expense and at all times, maintain the premises and all existing fencing in good and safe condition, and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Lessee shall not market sand or gravel, or any other part of the leased property. Lessee shall not have any right to any above or below ground mineral rights. Lessee shall be responsible for all repairs required.

The Lessor shall be responsible for lawn mowing around the buildings and have the buildings in reasonable repair at the commencement of the rental period. The Lessor agrees to keep the buildings in reasonable repair and shall not damage the buildings beyond reasonable use and wear. The Lessor in no way expresses or implies any warranty of the safety or security of the items stored in the buildings.

Lessee agrees to farm using conservation practices and to preserve established water sources, tile drains, tile outlets, grass waterways and diversions and to refrain from any operation that will injure such. Damage will be repaired at the Lessee's expense. Conservation

practices include utilizing no till farming practices as well as establishing cover crops on all cropland. Cover crops will be established after conventional crops are harvested with the exception of corn harvested as grain. When corn is harvested as grain, no cover crop is required; however, no residue may be removed from these fields. Only cover crop seed mixtures approved *in writing* by the Sauk County Conservation, Planning, and Zoning Department will be used. Contour strips and waterways cannot be eliminated or changed contrary to the Conservation Plan.

Lessee shall develop and follow a nutrient management plan to meet Natural Resources Conservation Service Standard 590 for all fertilizer and manure applications on the cropland. The plan shall be approved by the Sauk County Conservation, Planning, and Zoning Department prior to any manure or commercial fertilizer applications. All manure applied must be sampled to determine the actual nutrient analysis and proper application rates. Manure will not be spread on frozen ground without prior written permission of the Sauk County Conservation, Planning, and Zoning Department.

Lessee shall maintain phosphorus and potash levels previously established for each field. Phosphorus and potash levels shall be established by Lessor with written notice to the Lessee at the commencement of the lease term. Lessee is responsible for maintaining soil fertility levels and ensuring that the levels are at the same or better level at the termination of the lease. Lessor shall provide for soil sampling verification, at Lessor's expense. In the event Lessee fails to apply necessary amounts of fertilizer prior to the expiration of this contract, Lessor may make such applications and the costs thereof shall be reimbursed by Lessee to Lessor. Lessor is not responsible for maintaining soil fertility levels nor responsible if Lessee voluntarily chooses to maintain a higher fertility level.

Lessee shall also apply herbicides with residual in a manner that will not interfere with the rotation specified in the Conservation Farm Plan. Hazardous wastes and other debris shall not be accumulated or disposed of on Lessor's property. Hazardous waste shall include, but is not limited to, empty pesticide and oil containers and waste oil.

Lessor agrees to furnish all limestone to be used on the farm, and in such amounts to bring and maintain PH at a 6.6 level.

Lessee shall report planted acres to the Sauk County Farm Services Agency (FSA) office to maintain maximum eligibility to participate in the government programs in the future, even if the Lessee chooses not to participate in government programs during that year. The Lessee shall submit a copy of the FSA report to the Lessor by July 1 of each year. Land leased under this contract will not be combined with any other land for grain base purposes without prior written permission of the Lessor.

4. **Requested Information.** Lessee shall provide lessor with input costs and crop yield information annually in the fall after crops are harvested. Information will be used as a case study looking at the efficacy of no till farming and cover crop practices.

5. **Alterations.** Lessee shall not, without first obtaining the prior written consent of Lessor, make any alterations, additions, or improvements, in, to or about the premises. Lessee shall have the right to erect, maintain and remove, at Lessee's expense, temporary fence and moveable buildings on the leased land, provided that such fence or building or their removal do not damage the Lessor's property in any way, and provided that Lessee shall not create

anything which shall constitute a nuisance to the Lessor. The Lessor shall have the right to determine in its sole discretion what constitutes a nuisance under this section, but such determination may be reviewed as to reasonableness and the assessment of damages under the arbitration provisions of this lease.

6. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.

7. Assignment and Subletting. Lessee shall not assign this lease or sublet any portion of the premises without prior written consent of the Lessor. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, shall be considered a default under the terms and conditions of this lease, and the Lessor may terminate this lease immediately for default. If the Lessor approves a sublease, the Lessee shall continue to be responsible for the actions of the Sublessor including any and all damages of said Sublessor.

8. Reduction of Leased Area. Lessor reserves the right to reduce the area of crop land provided by this lease, as described above, in total or in part. Such reduction shall occur in the event that the Sauk County Board of Supervisors shall by Resolution require such property for another purpose. Any such reduction shall be effective sixty (60) days following the date of adoption of said Resolution. Lessee shall be entitled to a reduction in the rents due under this lease, based upon a pro rata reduction in the leased area. Any reduction in acreage shall reduce the rental amount for that and any succeeding year by the average annual acreage rental rate as determined by the annual cropland bid divided by the number of cropland acres.

If the reduction should occur during the growing period when crops are already planted, provided Lessee did not receive notice of the intended reduction prior to the actual planting of the crop, Lessee shall be entitled to a credit against the next rent payment to compensate for the expense of planting and resulting loss in yield. Lessee and Lessor shall agree upon an independent appraiser to establish the value of the crop lost due to the reduction of leased area. The cost of the appraiser shall be borne by the Lessor. In the event that the Lessor and Lessee cannot agree upon an appraiser, Lessee and Lessor shall each select an agricultural appraiser, and these two shall select a third appraiser. This group of three appraisers shall then establish the value of crop lost due to the reduction. The cost for this appraisal process shall be divided equally between the Lessor and Lessee.

9. Utilities and Easements. All applications and connections for necessary utility services on the demised premises shall be made in the name of Lessor. All easements now in force, or which may hereafter be in force, pertaining to the premises, shall remain in force for the duration of this lease. Lessor reserves the right to travel over and will maintain the road which leads to the old wastewater treatment plant and South onto Highway CH. A small area adjacent to this road, identified to the Lessee, shall be reserved as a collection and burning area for brush, etc., collected by Lessor.

An existing two acre cemetery, located adjacent to Highway 154 and identified to the Lessee, shall be maintained and preserved by the Lessor. Such land is adjacent to, and not a part of, the cropland demised under this lease.

10. Entry and Inspection. Lessee shall have access to the leased property through the former Health Care Center parking lot maintained by the Lessor. The Lessee is encouraged to

gain access via the North entrance from Highway 154. Lessee shall permit Lessor or Lessor's agents to enter upon the premises for the purpose of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to expiration of this lease, to place upon the premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the premises thereafter.

11. **Possession.** If Lessor is unable to deliver possession of the premises at the commencement hereof, Lessor shall not be liable for any damage caused thereby, nor shall this lease be void or voidable, but Lessee shall not be liable for any rent until possession is delivered. Lessee may terminate this lease if possession is not delivered within ten days of the commencement of the term hereof.

12. **Indemnification of Lessor.** Lessor shall not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the demised premises or any part thereof, and Lessee agrees to hold Lessor harmless from any claims for damages, no matter how caused.

13. **Insurance.** Lessee, at his expense, shall maintain public liability insurance issued by an insurance company licensed to do business in the State of Wisconsin, including bodily injury and property damage coverage insuring Lessee and Lessor with minimum coverage as follows:

Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured with policy limits at minimum of \$1,000,000 single limit and \$3,000,000 aggregate. The Certificate shall provide for a ten-day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by applicable insurance policies which may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, may waive any and all rights of subrogation which might otherwise exist.

The Lessor shall maintain fire and extended insurance coverage on the buildings and provide insurance on the property he/she stores in the buildings.

14. **Eminent Domain.** If the premises or any part thereof or any estate therein, materially affecting Lessee's use of the premises, shall be taken by eminent domain, this lease shall terminate on the date when the title vests pursuant to such taking. The rent on any impacted acreage shall be reduced for that year and any succeeding rental year by the average annual acreage rental rate as determined in Section 8. Disposition of any crop on the impacted lands shall be negotiated as a part of the eminent domain process. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for any taking of fixtures and improvements owned by Lessee, and for moving expenses.

15. **Lessor's Remedies on Default.** If Lessee defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof including maintaining adequate soil fertility levels, or becomes insolvent or bankrupt, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within 15 days, after the giving of such notice, or such default is of such nature that it cannot be completely cured within such period, if Lessee does not commence such curing within 15 days and thereafter proceed with reasonable diligence and in good faith to cure such default, then Lessor may terminate this lease on not less than 15 days notice to Lessee. On the date specified in such notice, the term of this lease shall terminate, and Lessee shall then quit and

surrender the premises to Lessor, but Lessee shall remain liable as herein provided. If this lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee, Lessee's crops, other occupants, or any effects. No failure to enforce any term shall be deemed a waiver.

Lessee agrees to obtain an attorney of any court of record, as attorney for Lessee, on default by Lessee of any of the covenants, to enter an appearance in court of record, to waive process and service of process, and trial by jury, and to confess judgment against Lessee in favor of Lessor, with costs of the suit. The Lessee expressly waives all right to any notice or demand under any statute in this state relating to forcible entry and detainer.

Lessee may not and shall not harvest crops after service of a notice of default. If the default is not cured within the 15 day period, Lessor shall be entitled to a lien on any crops harvested, or to harvest the crops itself, and sell same, in order to reimburse the Lessor for any expenses incurred.

16. **Security Deposit.** The Lessee is obligated to establish a cover crop for each year of the lease including the final year. Failure to establish the cover crop is considered a breach of the lease. The Lessor has established a cover crop that is present on the property at the commencement of the lease. The Lessor shall be required to post a Three thousand Dollar (\$3,000) security deposit at the commencement of the lease to ensure the establishment of the cover crop in each year of the lease including the final year. If in any year of the lease, Lessee fails to establish an acceptable cover crop, the lease may be terminated at the option of the Lessor, and the deposit forfeited. In addition, Lessee shall be liable to the Lessor for any cost of establishing the cover crop over and above the amount of the deposit. If the Lessor establishes an acceptable cover crop in each year of the lease including the final year, the Lessee shall be entitled to the return of the deposit.

17. **Arbitration.** In the event that Lessor and Lessee cannot reach agreement on any matter connected with this lease or its application, the matter shall be referred to a committee of three arbitrators, one chosen by each party and the third chosen by the two thus chosen. None of said arbitrators shall be related to either party or have any interest, directly or indirectly, personally or otherwise, in the questions presented. The decision of this committee shall be accepted as final by both Lessor and Lessee. The cost of said arbitration shall be borne equally by the parties. Nothing contained herein shall prevent either party from obtaining equitable relief from a court of competent jurisdiction in order to prevent irreparable harm to the party's interests pending resolution of said claims.

18. **Waiver.** The failure of a party to enforce any term herein shall not be deemed to be a waiver.

19. **Notices.** Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Lessee or Lessor at the respective address specified above, or at such other places as may be designated by the parties from time to time.

20. **Heirs, Assigns, Successors.** This lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties. Lessor shall be entitled to sell the subject premises during the term of this lease, provided that Lessor's rights and obligations under the lease are explicitly accepted and assumed by the buyer who would be bound thereby.

21. **Subordination.** This lease is and shall be subordinated to all existing and future liens and encumbrances against the property.

22. **No Partnership Established.** No partnership is hereby established. The terms of this agreement shall not be construed as establishing any partnership relation between the Lessor and the Lessee. Neither party shall be liable for any debts or obligations incurred by the other without written consent.

23. **Entire Agreement.** The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following Exhibits, if any, have been made a part of this lease before the parties' execution hereof:

FOR LESSEE:

Signed this _____ of _____, _____.

FOR THE COUNTY OF SAUK:

Signed this _____ of _____, _____.

Gerald Lehman, Chair
Conservation, Planning, and Zoning
For Lessor