

GRAZING LEASE AGREEMENT

This Grazing Lease Agreement (Agreement) is made and entered into on **July 1, 2025**, by and between the **City of Angels** (City) and **Jason and Jodie Brixey, doing business as JHeart Ranch** (Lessee). City and Lessee may each be referred to as a "Party" or collectively as the "Parties". There are no other parties to this Agreement. This Agreement is entered into with reference to the following facts and intentions:

RECITALS

- A. The City is the owner of certain real property and improvements (Property) located in the City of Angels, generally described as the assessor parcel numbers in the following table.

Assessor Parcel Numbers			
64-07-33	64-07-03	64-07-60	64-07-59
64-03-26	64-05-01	64-65-41	64-05-22
64-05-12	64-05-26	64-04-05	

- B. The City uses the land for disposal of recycled water and desires to maintain the vegetation and grasses in a state to facilitate the disposal.
- C. Lessee is in the business of raising cattle and requires the use of pasture land to graze cattle.
- D. Lessee desires to receive from the City and the City agrees to provide Lessee, the right to graze cattle and goats on a portion of the Property pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, based on the mutual terms, covenants and conditions recited herein and made a material part hereof, the Parties agree as follows:

1. **Grazing Right.** City grants Lessee the right to graze cattle and goats on Property. Other than as expressly provided in this Agreement, Lessee shall not have any other rights with respect to the Property and improvements located on the Property.

2. **Term.** The term of this Agreement shall commence on **July 1, 2025** (Commencement Date) and end on **June 30, 2030** (Termination Date), unless adjusted pursuant to the provisions of this Agreement.

3. **Possession.** City shall be deemed to have delivered possession of the Property to Lessee and Lessee shall be deemed to have taken possession of the Property as of the Commencement Date subject to the terms and conditions of this Agreement.

4. **Fee.** Lessee agrees to pay the City the sum of **Ten Thousand Five Hundred Dollars and Zero Cents (\$10,500.00)** per year during the Term (Fee), which shall be paid annually in advance throughout the Term of the Agreement. Lessee shall pay the Fee to City at or near the commencement date and on successive anniversaries of the commencement date. In the event the due date falls on a Saturday, Sunday, or holiday observed by City, the Fee shall be due the business day immediately prior.

5. Use of Property.

5.1 Use. The Property shall be used for grazing cattle and for no other use without the express written consent of the City. The City expressly disclaims any representation or warranty or any liability or damage as to quality or quantity of grass growing on the Property at anytime during the Term. Lessee covenants and agrees to conduct its operations, as allowed by this Agreement, in a good and ranching-like manner according to the industry practices for cattle ranching operations. Lessee shall be responsible for keeping its cattle within the Property and shall promptly return any cattle that leave the Property. The City reserves the right to require Lessee to move or remove the cattle within/from the Property due to overgrazing or if the cattle or goats otherwise cause harm to the Property, as determined in the City's sole discretion. Lessee shall not allow other animals, including horses, on the Property without the prior written consent of the City, (which may be separately negotiated with the City). Lessee shall move any dead animals from the Property within 72 hours upon discovery.

5.2 Other Facilities. Lessee shall notify City of its desire to use the property for purposes other than previously discussed and Lessee shall receive City's prior written consent.

5.3 Compliance of Law. Lessee shall, at Lessee's sole cost and expense, comply with all applicable local, state and federal statutes, ordinances, rules, regulations, orders and requirements in effect that relate to the use of the Property by Lessee. Lessee shall not use or allow the use of the Property in any manner that would tend to create waste or a nuisance or which would tend to disturb the City's use of the Property.

5.4 City Operations. Lessee acknowledges that this Agreement only entitles Lessee to use the Property for grazing. Lessee further acknowledges and understands that the City will be utilizing the Property for other uses, as City deems necessary. Lessee may be required to move cattle from one portion of the Property to another portion of the Property while the City performs work in the Property.

5.5 Other Restrictions. Lessee shall not store any equipment, trucks or trailers on the Property without the prior written consent of the City. Lessee shall not use or allow firearms, drugs or alcohol on the Property at any time, the violation of which shall entitle the City to immediately terminate this Agreement without any prior written notice.

5.6. Certificate of Ownership of Livestock, Grazing Operation. On or before July 1 of each year, Lessee shall certify in writing on a form designated by the City, that Lessee has not caused an assignment of the Property, is the sole owner of or holds an ownership interest in the livestock or goats grazed on the Property during the prior twelve (12) months, and that Lessee is the sole or majority interest owner/operator of the livestock grazing operation utilizing the Property during the prior 12 months.

6. Maintenance and Operation/Surrender.

6.1 Condition of Property. Lessee accepts the Property in its present condition, and Lessee agrees that it will, at all times during the Term, keep all improvements, grasses, and weeds located within the Property in good condition, repair, and maintained so that the height of unwanted vegetation is less than 24 inches, reasonable use, wear and damage by fire, act of God, or the elements excepted, at its own expense, and without any expense whatsoever to the City. Lessee further agrees, on the last day of the Term or earlier termination of this Agreement, to surrender the Property in the same condition as when received, reasonable use, wear and damage by fire, act of God or the elements excepted, and to remove all of Lessee's personal property from the Property.

6.2 Fertilizers and Chemicals. Lessee shall not apply any fertilizers, herbicides, insecticides or other chemicals on the Property without the City's prior written consent. The application of such fertilizers, herbicides, insecticides, sprays and chemicals, if consented to by the City, shall be applied in accordance with applicable federal, state and local laws, statutes, ordinances and regulations.

6.3 Toxic or Hazardous Materials. Lessee shall not cause or permit any hazardous or toxic materials to be brought upon, kept or used in or about the Property by Lessee, its agents, employees, invitees or authorized representatives, without the prior written consent of the City, which consent shall not be unreasonably withheld, so long as Lessee demonstrates to the City's reasonable satisfaction that such toxic materials, and the quantities thereof, are necessary or useful to Lessee's operations and use of the Property and such materials will be used, kept and stored in a manner that complies with all toxic substance laws. Lessee shall, at its sole cost, comply with all federal, state and local laws, statutes, ordinances, codes, regulations and orders relating to receiving, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release and disposal of any toxic or hazardous materials.

6.4 Irrigation. A portion of the Property will be irrigated using recycled water.

7. Right of Entry. The City and its authorized representatives may enter the Property at any time for the purpose of inspecting the Property and Lessee's use of and operations on the Property. Lessee covenants and agrees that the City may enter the Property at any time to make any necessary repairs to the Property and perform any work desired by the City that does not unreasonably interfere with Lessee's use of the Property or that the City may deem necessary to prevent waste or deterioration in connection with Lessee's use of the Property.

8. Alterations and Improvements. Lessee shall not make any alterations or improvements to the Property without the prior written consent of the City. Any alterations or improvements to the Property shall be done in a good and workmanlike manner and diligently prosecuted until completion. Upon termination of this Agreement, such alterations and improvements shall be considered improvements to the Property and shall not be removed by Lessee and will become part of the Property unless the City requests Lessee to remove all or any portion of such improvements, in which case the Lessee shall restore the Property to its former condition, at Lessee's sole cost and expense. Lessee shall pay all costs and expenses of any such alterations or improvements on the Property. Lessee will keep the Property free and clear of all mechanics' liens and other liens on account of such work done for Lessee.

9. Taxes. Lessee shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operations, as well as its trade fixtures and other personal property in, on or upon the Property.

10. Indemnity and Liability.

10.1 To the fullest extent permitted by law, Lessee shall defend, indemnify and hold harmless the City, its elected officials, officers, employees, agents and contractors, from and against any and all claims, damages, losses, liabilities and expenses, including attorneys' fees, paralegal and legal fees and costs, which arise out of, relate to or result from, Lessee's use of the Property or from this Agreement. In the event any action or proceeding is brought against the City, Lessee, upon notice from the City, shall defend the same at Lessee's sole cost and expense by legal counsel approved by the City. Lessee, as a material part of the consideration to the City, assumes all risk of damage to the Property or injury to persons in, upon or about the Property from any cause whatsoever except that which is caused by the failure of the City to observe any of the terms and conditions of this Agreement and such failure has persisted for an unreasonable period of time after written notice of such failure, and Lessee waives all of its claims with respect thereof against the City.

10.2 Exemption from Liability. The City shall not be liable for injury to Lessee's business or any loss of income or for damage to the property of Lessee, Lessee's employees, invitees, customers or any other person in or about the Property, nor shall the City be liable for injury to the person of Lessee, Lessee's employees, agents or contractors, whether such damage or injury is caused by or results from fire, explosion, electricity, gas, water, rain, or from any other cause, whether such damage or injury results from conditions arising upon the Property or the Property, or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible.

11. Insurance.

11.1 Commercial General Liability Insurance. The Lessee shall, at its sole cost and expense, maintain in effect at all times during the Term, commercial general liability insurance which shall include, but shall not be limited to, protection against claims arising from death, bodily or personal injury or damage to property resulting from actions, failures to act, operations or equipment of the insured, or by its employees, agents, consultants or by anyone directly or indirectly employed by the insured. The amount of insurance should not be less than Two Million Dollars (\$2,000,000) combined single limit per occurrence coverage applying to bodily and personal injury and property damage. The commercial general liability insurance coverage shall also include the following provisions and/or endorsements.

- a. Cross liability and severability of interest.
- b. The insurer shall waive and all transfer rights of recovery (subrogation) it may have against the name and/or additional insureds for claims and/or losses.

11.2 Business Automobile Liability Insurance. The Lessee shall, at its sole cost and expense, maintain in effect at all times during the Term, business automobile liability insurance which shall include, but shall not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from actions, failures to act, operations or equipment of the insured, or by its employees, agents, consultants, or by anyone directly or indirectly employed by the insured. The amount of insurance should not be less than One Million Dollars (\$1,000,000) combined single limit per accident coverage applying to bodily and personal injury and property damage. Coverage shall insure all owned, non-owned and hired automobiles.

11.3 Endorsements. The insurance coverages required by this Agreement shall include the following provisions and endorsements:

- a. The City of Angels and its elected officials, officers and employees will be a named or an additional insured regarding liability.
- b. Written notice shall be given to the City at least thirty (30) days prior to termination, suspension, voiding, cancellation or reduction of coverage in the policy, except that if cancellation is for nonpayment of premiums, written notice shall be given to the City at least ten (10) calendar days prior to cancellation.
- c. The insurance shall be primary as with respect to the interest of the named and/or additional insureds, any other insurance maintained by the named and/or additional insureds is excess and not contributing insurance.
- d. The insurance, subject to all its other terms and conditions, applies to the liability assumed by the Lessee under this Agreement.

12. Default.

12.1 Definition of Default. The occurrence of one or more of the following events shall constitute a material default and breach of this Agreement by Lessee:

- a. Agreement Fee Default. Failure by Lessee to make, as and when due, any payment of Agreement Fee payable by Lessee where such failure has continued for a period of ten (10) days after written notice from the City to Lessee; provided, however, that any such notice shall be in lieu of, and not in addition to, any notice required under section 1161 of the Code of Civil Procedure of California.
- b. Abandonment. The abandonment or vacation of the Property by Lessee. Abandonment is defined to include, without limitation, any absence of Lessee from the Property for five (5) days or longer while in default of any provision of this Agreement. Notwithstanding anything to the contrary, so long as Lessee is current with payment of all Agreement Fees and other monetary obligations, there can be no abandonment.

c. Breach of Contract. Failure by Lessee to observe or perform any of the express or implied nonmonetary covenants, promises, agreements or provisions of this Agreement to be observed or performed, where such failure has continued for a period of thirty (30) days after written notice from the City to Lessee specifying the particulars of such failure; provided, however, that such notice shall be in lieu of and not in addition to any notice required under section 1161 of the Code of Civil Procedure.

d. Bankruptcy and Insolvency. The making by Lessee of any general assignment or general arrangement for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee judged bankrupt or a petition for reorganization or arrangements under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located on the Property, or of Lessee's interest in this Agreement, where possession is not restored to Lessee within thirty (30) days; or the attachment, execution or other judicial procedure substantially all of Lessee's assets located on the Property or of Lessee's interest in this Agreement, where such procedure is not discharged within thirty (30) days.

12.2 Remedies Upon Default. If Lessee breaches this Agreement, the City shall have an immediate right of reentry, with or without notice, and the right to take possession of all animals and personal property. The City, at its election, shall become the owner of all animals of which it has so take possession and, except where it elects to proceed under the following paragraph, will be obligated to compensate Lessee for them.

If the City elects to reenter as provided above, or to take possession under legal proceedings or under any notice provided by law: (a) City may terminate this Agreement; (b) City may from time to time, without terminating this Agreement, re-issue the entire or any part of the Property for such terms (which may extend beyond the Term of this Agreement), and at such agreement fee and other conditions as the City in its sole discretion deems advisable. On each subsequent agreement, Lessee shall be immediately liable to pay the City the expenses of the new agreement and any making or alterations or repairs incurred by the City and all other indebtedness, except Fee due under the Agreement; (c) the City, or its agents or assigns, or receiver appointed at its instance may: (i) perform any of these duties under this Agreement and such things as maintaining the Property and growing and managing the cattle located on the Property; (ii) charge the proceeds of the cattle with all reasonable costs of maintenance and husbandry; and (iii) divide the remainder of the proceeds with the Lessee in the same proportion as the cattle would have been divided between the City and Lessee if Lessee had faithfully performed under this Agreement. If the cost exceeds the proceeds from the cattle, Lessee shall be responsible for payment of any such deficiency; or (iv) City may exercise all other rights that are available to it under any federal, state or local law, statute, or regulation if Lessee breaches or defaults any of its obligations under this Agreement.

13. Holding Over. If the Lessee has not vacated the premises at the end of the Term, the Lessee will accrue charges in the amount of \$150 per day beginning on the fifth day after the end of the contract term. All other terms and conditions remain the same as specified in this Agreement. City's receipt of any hold over amounts pursuant to this section shall not constitute an extension of the Term nor shall it constitute a waiver of Lessee's wrongful holding over and shall not prejudice any other rights or remedies available to City under this Agreement or applicable provisions of law.

14. Damage or Destruction. In the event the Property is damaged by fire, flood or other perils through no fault of Lessee, the Agreement Fee shall be abated in proportion to the area of the Property that Lessee can no longer utilize as contemplated under this Agreement, unless caused in whole or part by Lessee, in which event the Agreement fee shall not be abated. If more than fifty (50) percent of the Property is damaged or destroyed such that Lessee may no longer use it for its intended purposes, Lessee may elect to terminate this Agreement, unless caused in whole or part by Lessee, in which event Lessee shall not have the right to terminate this Agreement.

Other than as provided above in this paragraph, Lessee shall not be entitled to any compensation or damages from the City for loss of use of all or any portion of the Property regardless of the cause.

15. General Provisions.

15.1 Recitals. The recitals stated at the beginning of this Agreement of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions of the recitals, if any, shall be deemed a part of this Agreement.

15.2 Notices. All notices, approvals, acceptances, requests, demands and other communications required or permitted, to be effective, shall be in writing and shall be delivered, either in person or by mailing the same by United States mail (postage prepaid, registered or certified, return receipt requested) or by Federal Express or other similar overnight delivery service, to the Party to whom the notice is directed at the address of such Party as follows:

To: City

City of Angels
PO Box 667
584 S. Main Street
Angels Camp, CA 95222

To: Lessee

Jason and Jodie Brixey
PO Box 250
Altaville, CA 95221

Any communication given by mail shall be deemed delivered two (2) business days after such mailing date, and any written communication given by overnight delivery service shall be deemed delivered one (1) business day after the dispatch date. Either Party may change its address by giving the other Party written notice of its new address.

15.3 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective heirs, successors and assigns. Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties or their respective heirs, successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

15.4 Assignability. Lessee shall not assign this Agreement, or any rights to it, and shall not sublet the entire or any part of the Property or any right or privilege appurtenant to the Property or permit or transfer interest therein without first obtaining the written consent of the City, which may be withheld by the City in its sole and absolute discretion. Any assignment or subletting without the City's consent shall be void and shall, at the City's option, terminate this agreement. No interest of Lessee in this Agreement shall be assignable by operation law without the City's prior written consent.

15.5 Waiver. No waiver by any Party of any of the provisions shall be effective unless explicitly stated in writing and executed by the Party so waiving. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representations, warranties, covenants, or agreements contained in this Agreement, and in any documents delivered or to be delivered pursuant to this Agreement. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

15.6 Severability. If any term, provision, covenant or condition of this Agreement shall be or become illegal, null, void or against public policy, or shall be held by any court of competent jurisdiction to be illegal, null, void or against policy, the remaining provisions of this Agreement shall remain in full force and effect, and shall not be affected, impaired or invalidated. The term, provision, covenant or condition that is so invalidated, voided or held to be unenforceable, shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives set forth in this Agreement.

15.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

15.8 Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of California to the extent California Law is applicable to the United States, with venue proper only in the County of Calaveras, State of California.

15.9 Attorneys' Fees. If any legal proceeding (lawsuit, arbitration, etc.), including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing Party shall be entitled to recover actual attorneys' fees and costs, which may be determined by the court in the same action or in a separate action brought for that purpose. The attorneys' fees award shall be made as to fully reimburse for all attorneys' fees, paralegal fees, costs and expenses actually incurred in good faith, regardless of the size of the judgment, it being the intention of the Parties to fully compensate for all attorneys' fees, paralegal fees, costs and expenses paid or incurred in good faith.

15.10 Good Faith. The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Agreement and to execute such further instruments and documents as are necessary or appropriate to effectuate all the terms and conditions of this Agreement.

15.11 Construction. The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against either Party, as each Party had the opportunity to have their counsel review it. Whenever the context and construction so requires, all words used in the singular shall be deemed to be used in the plural, all masculine shall include the feminine and neuter, and vice versa.

15.12 Several Obligations. Except where specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall be construed to create an association, trust, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement.

15.13 Authority. The individuals executing this Agreement represent and warrant that they have the authority to enter into this Agreement and to perform all acts required by this Agreement, and that the consent, approval or execution of or by any third party is not required to legally bind either party to the terms and conditions of this Agreement.

15.14 Entire Agreement. This Agreement contains the entire understanding and Agreement of the Parties, and supersedes all prior agreements and understandings, oral and written, between the Parties. There have been no binding promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature, except as stated in this Agreement. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral Agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year and at the place first written above.

CITY

City of Angels

LESSEE

Jason and Jodie Brixey / JHeart Ranch

By: _____
Pamela Caronongan, City Administrator

By: _____
Jason Brixey

By: _____
Jodie Brixey

ATTEST:

By: _____
Rose Beristianos, City Clerk

APPROVED AS TO FORM:



By: _____
For: Douglas White, City Attorney