

Sugarbush Lease Agreement

Section I. Contracting Parties, Description of Property and Term of Lease

1. This lease is made between the City of Princeton, a Municipal Corporation under the laws of Minnesota (“the City”), and Dudley Syrup Company, Jake Dudley, Owner and Sole Proprietor (“the Renter”).
2. The City, in consideration of the provisions with the Renter herein after set forth, hereby leases to the Renter, maple trees to use for tapping and the production of maple sap and the right to transport such sap to a processing location of the Renter’s choosing.
3. The land that is the subject of this lease agreement is known as Riverside Terrace Park comprised of approximately 44.17 acres as illustrated in Exhibit A, with parcel ID Nos. 24-029-0200 and 24-028-2800.
4. This lease shall become effective on the 25th day of February 2022 and shall continue in force until the 31st day of December 2031. The Renter shall have the option to renew for a period of 10 year (s) after the first lease period, provided that the City has not given notice of cancellation for cause, at least six months prior to the end of the current lease. The Renter shall advise the City of intent to renew this lease not less than six months prior to the end of said lease.

Section II. Land Use

Maple trees and the leased premises shall be maintained by the Renter (s) in their present condition, or improved, and the yield of sap maintained or increased by up-to-date methods of tapping, installation of tubing, or tree thinning as recommended by the University of Minnesota Extension Office or a mutually agreed to forester. Any costs incurred shall be paid by the Renter.

The following practices are mutually agreed upon:

1. Guidelines for tapping maple trees, as developed by the University of Minnesota Extension Office shall be the standard for tapping on this property. Both the City and Renter agree to these guidelines and sign with their acceptance of this document.
2. Renter shall use tap holes and tapping methods that protect the long-term health of the maple trees and utilize spouts appropriate to the application.
3. Chemical sanitizers shall not be used, but proper practices to maintain tree health and reduce bacterial growth are encouraged.
4. Thinning of maple trees for sugarbush improvement may be carried out by the Renter, providing that the sugarbush that has been marked for thinning is agreed to by the Princeton Public Works Director.
5. Sugar wood harvesting shall be allowed, provided that such trees are marked and agreed to by the Princeton Public Works Director. Firewood cutting for sale shall not be allowed.

Logging for personal use or sale shall not be allowed, except by mutual written agreement between the City and Renter.

6. Vehicles for use in tubing or bucket installation or sap gathering such as tractors, sleds or trailers shall be operated with care so to prevent damage and scarring to the bases and roots of all trees.

Section III. Time and Amount of Payment

The Renter shall pay to the City the following per tap amount per year:

Year	Per Tap Amount
2022	\$1.00
2023	\$1.00
2024	\$1.00
2025	\$1.00
2026	\$1.25
2027	\$1.25
2028	\$1.25
2029	\$1.25
2030	\$1.25
2031	To be negotiated*

*Negotiation factors will include bulk sap and national tap rates.

The tap count shall be determined annually prior to the start of sap collection. Payment shall be made annually by May 1 of each year.

Section IV. Liability

The Renter shall assume all responsibility and liability for accidents occurring to him or his employees and family members, or visitors, while engaged in the tapping of trees, gathering of sap, thinning, cutting and splitting of fire wood, and crossing of the City's land to get to or from the leased sugarbush. The Renter shall obtain a premises liability policy covering the rented premises and shall provide a certificate of insurance, naming the Landowner as an additional insured, in an amount not less than \$1,500,000, no later than January 1 each year of the lease. Failure to provide said certificate of insurance shall be just cause for lease cancellation at the sole option of the Landowner.

The Renter(s) shall be responsible for suppressing forest fires which may start while he is working on this property, and shall maintain all roads in the same or better condition than as existed at the commencement of the initial Lease date.

The Renter(s) shall watch for any evidence of insect, disease, or rodent damage which might occur on the area and shall advise the City of such damage.

Section V. The City Agrees to:

1. Furnish the area described above, including the use of existing roads for the purposes of managing the leased area. The City shall be responsible for maintaining easily identifiable boundaries.
2. Pay all taxes and assessments against the said property.

Section VI. The Renter Agrees to:

1. Follow approved management practices for the development of existing young maple trees into trees of the size to harvest sap from and to protect these trees from damage.
2. Furnish all labor, equipment, supplies and all operational expenses unless use of the City owned equipment is specified elsewhere in this agreement.
3. Neither assign or sublet any of the land or property covered in this lease to any other person or persons without the express written permission of the City.
4. The Renter(s) agrees to maintain liability insurance as set forth in the provisions of Section IV.
5. Remove all spouts from the trees in a timely manner, but not later than May 15 of each year, unless otherwise agreed to in writing by both parties. The Renter may leave the tubing on site until the next

Section VII. Rights and Privileges:

The City or designee shall have the right of entry at any time to inspect the property covered in this lease in respect to tapping, road maintenance, wood cutting or any other covered use of the property covered in this lease.

Section VIII. Enforcement of Agreements and Arbitration:

1. Failure of either party to comply with the agreements set forth in this lease shall make him/her liable for damages caused by such non-compliance. Any claim by either party for such damages shall be presented, in writing to the other party, a minimum of 60 days before the termination of said lease.
2. If either or both parties of this lease die during the term of the lease, the provisions of this lease shall be binding upon the heirs, executors, and administrators.
3. Any disagreements between the City and the Renter shall be referred to an arbitration panel of three disinterested persons. One of whom shall be appointed by the City, one by the Renter and a third appointed by the two thus appointed. The decision of the arbitration panel shall be considered binding on the parties of this lease and enforceable by a court of law of competent jurisdiction. Any costs for such arbitration shall be shared equally by the City and Renter.

Exhibit A – Location of Trees to be Tapped

