



THE WILDLANDS CONSERVANCY

Behold the Beauty

August 18th, 2023

Bernadette Cizin, Associate Planner
Siskiyou County Community Development
806 S. Main Street
Yreka, CA 96097

Dear Bernadette,

Thank you for your consideration and attention to the Williamson Act contract matter on the Beaver Valley Headwaters Preserve (formerly known as Hayden Ranch) near the town of Callahan. The Wildlands Conservancy would like to continue a Williamson Act contract on those portions of the Preserve which are used for active commercial grazing. This will provide tax benefits to the Conservancy and guarantees to the County that the Preserve will remain in commercial agricultural use for the future and produce annual revenue well in excess of the minimums under the County's Williamson Act rules. The Conservancy re-invests all funds generated by savings on County property taxes directly back into the Preserve. Improvements since ownership include new water troughs, fence lines, corrals, and irrigation infrastructure. Future projects aim to improve irrigation efficiency similar to the Hayden Family's methods of piping open ditches.

We would like to suggest the County request the Agricultural Commissioner visit the Preserve and review grazing operations and other land use practices ahead of the Williamson Act matter being taken up at the September meeting of the County Supervisors.

Grazing Operations

Regarding grazing operations and locations, most livestock are currently in Grouse Creek and East Fork grazing allotments on US-Forest Service and Michigan Timber lands. Cattle are held on the Preserve prior to summer Forest Service turn-out and return to the Preserve in the fall. At this time, we are irrigating areas for forage regrowth after spring grazing and preparing the Parker Pasture (near Callahan) for fall grazing. Fall calving heifers are rotated specially to avoid pine needle pastures in their third trimesters due to health concerns. Included is a map hand drawn by Joe Nash that outlines primary grazing operations with our current infrastructure. The leased area for grazing is in fact much larger than the area circled on this map in anticipation of possible future grazing operations with anticipated water and fence improvements.



In case of a visit, the Ag Commissioner could assess recent grazing rotations and overall operations. This property serves as the base property for the Conservancy's USDA Forest Service (FS) permits on the East Fork and Grouse Creek and is therefore crucial for the continuation of agriculture not only on the Preserve but also neighboring locations. The majority of the grazing operations are handled by Nash Livestock, but the Preserve is also used by Rick Hayden. We accommodate Rick's cattle on our property for shorter intervals between Merlo Ranch and his Forest Service allotments.

For validation of TWC's ranching, the Commissioner could contact these partners and also review a photo album which documents agricultural operations and improvements throughout the years (2019-2023): [<https://photos.app.goo.gl/3Vi6ef3mTpyhJn6s5>].

Hunting

No current lease or active hunting program exists at this time. Past lease arrangements with Wilderness Unlimited or Golden Ram for deer hunting made restrictions on buck harvests, such as point restrictions, harvest limitations, and number of hunting parties, above and beyond hunting the state regulations. The Conservancy understands that this type of hunting is a compatible use under the Siskiyou County's Williamson Act rules. Any hunting leases by TWC includes provisions to ensure prioritization of ranching and agricultural activities.

Water Rights

The Preserve was acquired utilizing funds from the California Wildlife Conservation Board's Streamflow Enhancement Program. As part of that funding, TWC committed to leaving 50% of water rights instream for salmon benefit. Our research and improvements to water systems' efficiency (similar to the Hayden family's approach in the past) aims to maintain or increase agricultural production from historical levels with the water that's available.

Portion Parcels

A very small portion (+/- 18 acres) of the legal parcel which includes the Parker Pasture was not included in the original Williamson Act contract, meaning that this is a "portion parcel" and therefore the entire legal parcel is not eligible for inclusion in a new Williamson Act contract. While we understand that the County's current approach is not to increase acreage of the existing Williamson Act contract, we are certain that by working with staff to identify other acreage to release from the contract, this small portion can be brought under the Williamson Act contract without an increase in the amount of acreage under the existing contract.

The Conservancy manages 25 Preserves encompassing over 200,000 acres in California, the majority of which is under Williamson Act contracts. In each region, this has been an excellent arrangement to provide certainty to Counties and communities that lands under our management will stay agriculturally productive and on the tax rolls, while providing the Conservancy with some property tax relief so that limited operating funds can be used to reinvest into the Preserves and their operations.

For these reasons, the Conservancy would like to request that if the rescission of the existing Williamson Act contract and entry into a new contract is approved by the County Board of Supervisors, that the Conservancy be allowed a six-month period to work with staff to ensure a Williamson Act contract remains on those portions of the Preserve which are used for active commercial grazing. We appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Frazier Haney". The signature is written in a cursive, flowing style.

Frazier Haney
Executive Director

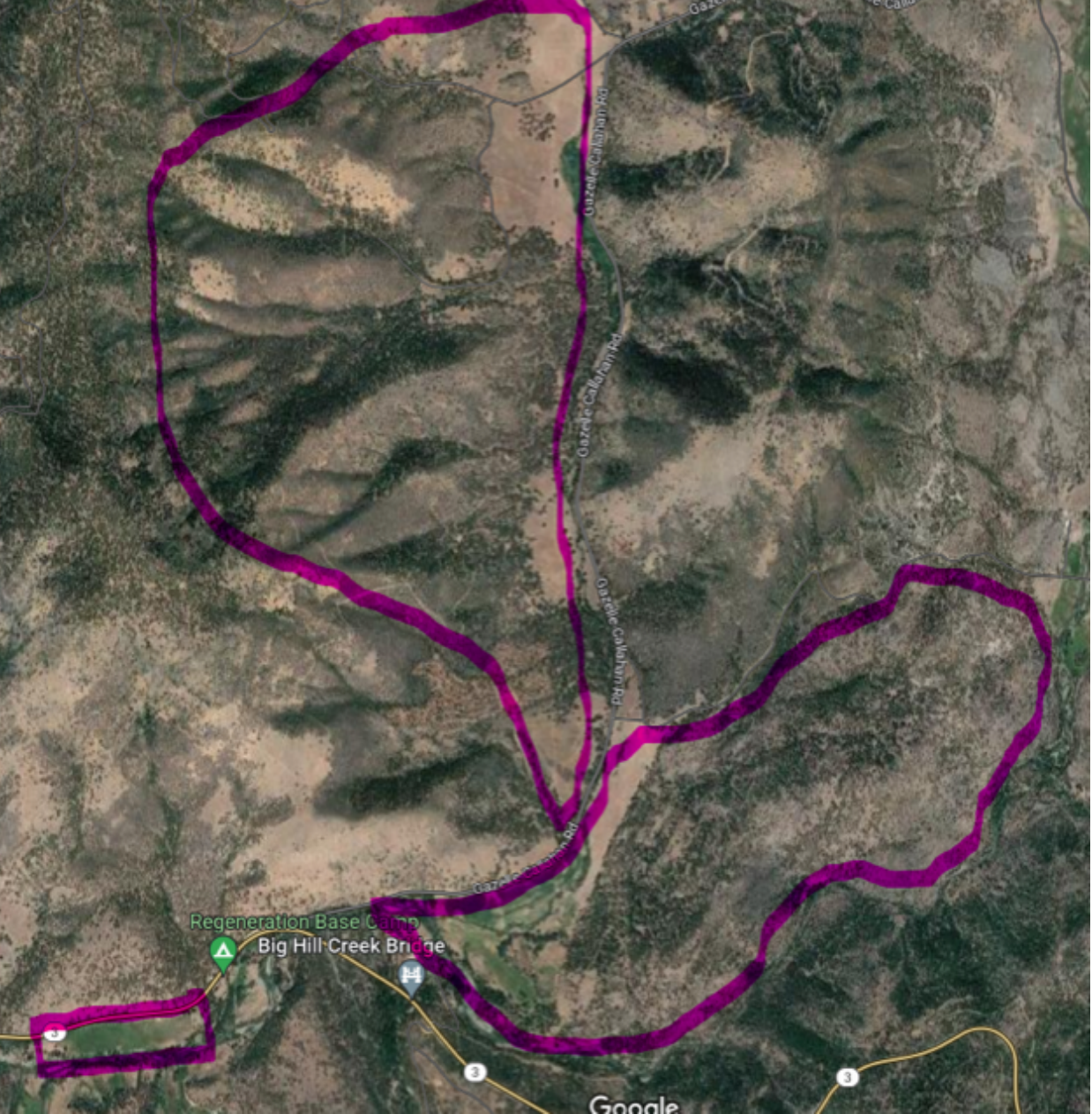
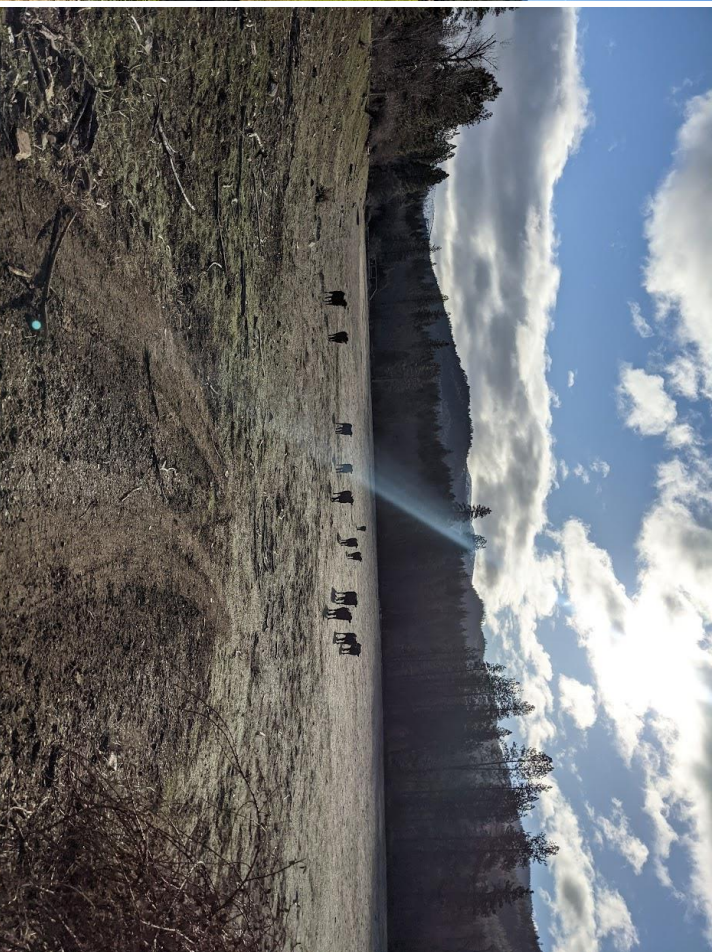
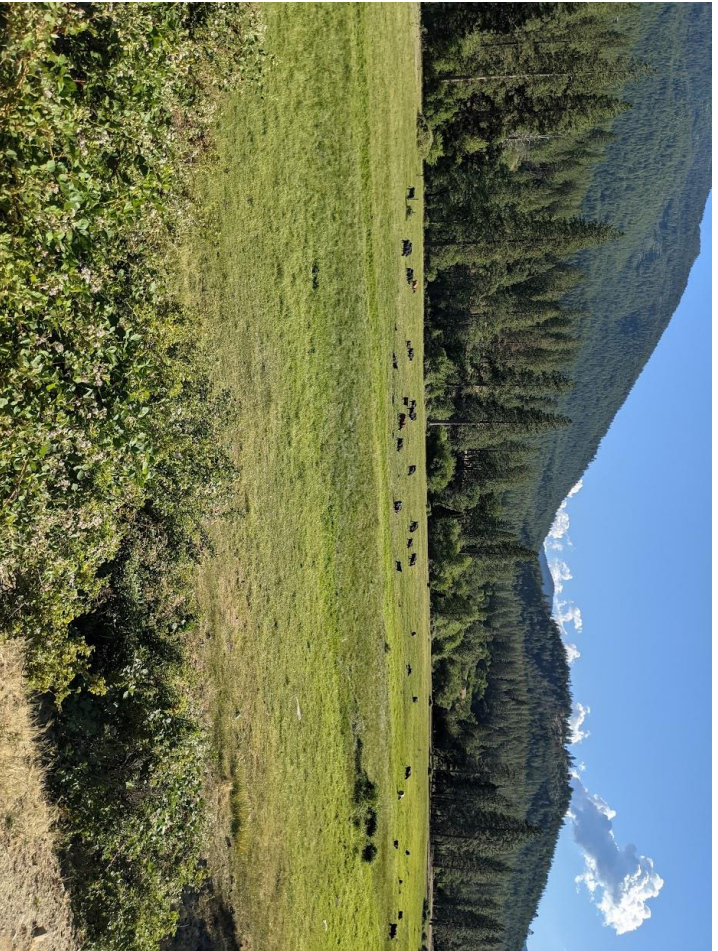


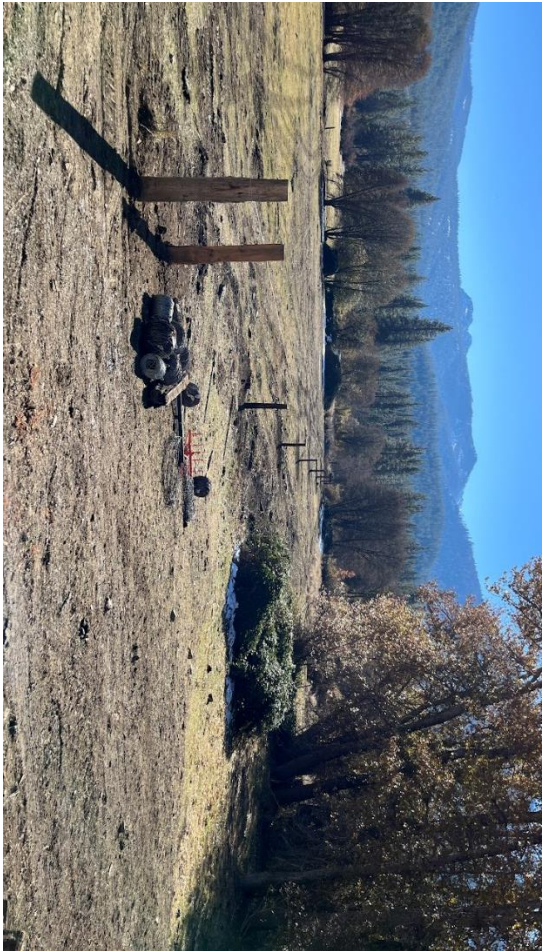
Exhibit C - 1



Photos showing Nash and Wild Salmon cattle on the subject property



Photos showing irrigation improvements and livestock facilities on the subject property



Photos showing improvements to livestock facilities and fencing on the subject property

Beaver Valley Headwaters Reserve Vegetation Management and Livestock Grazing Lease

1. **Parties:** This Vegetation Management and Livestock Grazing Lease (“Lease”) is made and entered into effective December 5, 2022, by and between THE WILDLANDS CONSERVANCY, a California nonprofit public benefit corporation (“Lessor”), and Steven A., Dusty L. Nash, Kathleen Nash, and Joe Nash individual and independent contractors (“Lessee”). From time to time, Lessor and Lessee may be referred to individually as a “Party” or collectively as “the Parties.”

2. **Demise:** Lessor, for and in consideration of the rent to be paid by Lessee and of the covenants and promises to be kept and performed by Lessee under this Lease, hereby leases to Lessee, and Lessee agrees to lease from Lessor that portion of the Beaver Valley Headwater Preserve, which the Preserve in its entirety is the map attached hereto as Exhibit “A”. The area subject to this lease consists of about four thousand (4,000) acres. The leased lands exclude the small pastures immediately surrounding main homes, barn, and corrals consisting of approximately 10 acres. The leased lands includes access to the field located next to the Merlo property line in Noyes Valley, approximately 10 acres. If there is no stock water in the upper field these pond may be used for stock water.

3. **Purpose:** Lessor acquired the subject Property for conservation purposes, including the preservation of plants and animals and their habitats, historic and cultural resources and open space values. Lessee shall conduct its activities in a manner consistent with the conservation purposes stated and will assist the Lessor to identify and implement any conservation related improvements that may provide for the long-term sustainability of the Property’s natural elements, including soil, water, vegetation and ecological function.

4. **Term of Lease:** This Agreement shall commence as of 12:01 a.m. April 1, 2023 (“the effective date”), and shall be for a term of one year. This Agreement shall be subject to annual review in good faith with the opportunity for any amendments to be mutually agreed upon, documented in writing and attached as an Exhibit hereto. This Agreement is subject to the terms and conditions set forth below and shall terminate at 12:00 a.m. on April 1, 2024. At Lessor’s discretion, this Agreement may be renewed thereafter for subsequent terms and annual review periods and shall be subject to the terms and conditions set forth below.

5. **Early Termination:** This Agreement may be terminated at the end of each annual period if either Party determines that the relationship between Lessor and Lessee has broken down irreparably, or that it is not in the Party’s best interests to renew, and said Party is in compliance with the provisions of Paragraph 34 herein below. Any decision to terminate this Agreement shall not be arbitrary or capricious, but shall be based upon good business judgment. The terminating Party shall provide to the other notice of termination of not less than ninety (90) days of the need to vacate the Premises, EXCEPT in the event that Lessee is in breach of this contract, in which case Lessor may provide between 20 and 30 days’ notice of termination, depending on the circumstances and nature of the breach.

If at any time during the term of this Lease, title of any portion of the Property is transferred to another entity, Lessee will be provided a 30-day notice of termination of this Agreement and will be provided a prorated return of lease payments.

6. **Rent:** In consideration for the use of 4,000 acres and appurtenances known as the Beaver Valley Headwaters Reserve, and subject to adjustment as provided herein below, Lessee agrees to lease for Seventeen Dollars and No Cents (\$17.00) per Animal Unit (e.g. Cow/Calf Pair) per month, payable on a monthly basis. The Parties anticipate that the herd shall be no more than 100 animals in a normal

rainfall year and less in drought conditions. Monthly payments shall be made on or before the first day of the month when cattle on the Property.

6.1 Lessee shall be permitted some variability on stocking, but the actual AUM shall not exceed more than 140 unless there is mutual agreement by both Parties for higher stocking rates.

6.1.1. Subject to certain conditions, Lessor and Lessee may agree to additional stocking. Lessor reserves the exclusive right to permit or deny such additional stocking above 140 head of livestock.

6.1.2 Lessor may require lessee to reduce the number of livestock below 140 head in drought conditions or for specific habitat requirements.

6.2. Lessee shall notify Lessor monthly stocking numbers and stocking changes due to cattle being shipped or received at the Property. Such written notices may be delivered by email to Landon Peppel at Landon.P@twc-ca.org or as provided in Paragraph 23 herein below.

6.3 Any adjustment in rent due to changing market prices, drought or other weather conditions shall be determined in joint discussions, held at the time of annual review of this Lease or more often as needed, by the managers of Lessor's and Lessee's respective operations, and effective upon the written approval of Lessor. Rent adjustments based on cattle numbers shall be made on a monthly basis according to best estimates of the actual number of cattle grazed on the Property.

6.4 In addition to 4,000 acres of rented pasture on the Preserve, there are multiple allotments (e.g. E. Fork Scott River and Grouse Creek) that lessee will manage livestock on.

6.4.1. The Lessee and Lessor shall share costs based on percent of herd ownership for range permit fees (USDA, BLM, & Michigan California Timber Co) where Lessee grazing is to concur.

6.4.2. Lessor will pay the original permit fees, Lessee will pay their percent, based on number of animals owned in herd (e.g. 87 of 100 head total equals payment of 87% of fees) applied to total fees, made payable in next month's rent payment. No \$17/head money payments are required for livestock while on the forest lease.

6.5. The herd of 100 includes 13 head of formerly Hayden Ranch FLP mother cows, which will be branded with Lessor "Wild Salmon" brand.

6.5.1. Lessor owns Wild Salmon branded cattle outright and no rent payments will be included at \$17/hd/mo for these animals.

6.5.2 All steers born from the "Wild Salmon" mother cow brand will be owned by Lessee and branded with Lessee's own brand.

6.5.3. All heifers born from the Wild Salmon mother cows will be kept, branded with a Wild Salmon brand, bred, and added as replacements/additions to the cow-herd.

6.5.4. Lessee will provide breeding bulls for the Wild Salmon cows.

6.5.5. Lessee will care for Wild Salmon cows when animals are off-site on Lessee property.

6.5.6 If cattle are off-site more than 4 months on Lessee property, Lessor will provide reasonable compensation, to be deducted from Lessee rent payments for caring for "Wild Salmon Cows" beyond 4

months.

7. **Use of Premises:** During the term of this Lease, the Property shall be used by Lessee for the exclusive purpose of grazing cattle, and for no other purpose, except with the prior written consent of the Lessor, which shall be in the Lessor's sole discretion.

7.1 Lessee is authorized to use up to 100 head, to consist of a combination of cows, cow/calf pairs, stockers steers, replacement heifers, and bulls. Lessee may have fewer cattle according to his needs and conditions on the land.

7.2 No other livestock can be placed on the Property by Lessee, except by written permission from Lessor, but Lessee shall be permitted to maintain on the Property the number of saddle and other horses necessary to conduct the cattle operations on the Property. All other use rights belong to the Lessor and its invitees, and to Wilderness Unlimited, Inc., pursuant to its written lease agreement with Lessor, a copy of which shall be provided to Lessee.

7.3 In no event shall Lessee use any portion of the Property for hunting or trapping, nor shall Lessee allow such uses by others.

7.3.1 Lessee acknowledges that Lessor has a hunting lease operated on the property. Lessee will make reasonable efforts to minimize conflict with hunting operations and Lessor will make reasonable efforts to ensure hunting does not conflict with livestock operations.

7.4 If problems with coyote predation occur, Lessee shall conference with Lessor to decide what, if any, actions will be taken.

8. **Operations on Leased Property:** In all operations under this Lease, Lessee shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements, and orders whatsoever, which may apply to use, maintenance, occupation of or operations on the Property, or the grazing of cattle.

8.1 Lessee shall not overgraze or otherwise misuse the Property, and shall carry on its cattle grazing operations in accordance with good husbandry and agronomy and the best practices of the cattle industry. Good husbandry and agronomy means the protection of resources of the Property while utilizing the Property for the care of livestock.

8.2 If Lessee fails to take any action required by the best course of husbandry, or if Lessee fails to conduct any operation undertaken by Lessee on the leased Property in accordance with the best course of husbandry after Lessor serves a thirty (30-) day written notice of such failure, or overgrazed the Property, such failure shall constitute a material breach of this Lease.

9. **No Warranty Regarding Water or Condition of Property:** Lessor makes no representations or warranties as to the water, water delivery systems, pumps, grazing or pasturage conditions on the Property, or the carrying capacity thereof, and Lessor shall not be responsible or liable for any lack or deficiency of water, grazing or pasturage. Lessee acknowledges that it knows the condition of the Property, and accepts the Property in its present condition, and unless caused by Lessor subsequent to the date of this Lease, Lessor shall not be liable or accountable for annoyance, inconvenience, loss, injury or damage to Lessee, to any persons on the Property, or to any property or effects on the Property which is caused or occasioned by the condition of the Property, by any part of the Property or improvement thereon being out of repair, or by any defect on the Property, whether such defect is known or unknown to the Parties.

9.1. Lessor shall not be liable for any injury or damage sustained by Lessee, or by others acting under it, through or on account of the flow of water upon the Property, or any part thereof, from any ditch, stream or other watercourse or reservoir, or from any other source, whether by natural flow or whether caused in whole or in part by the construction, maintenance, operation or failure of dams, embankments, levees, spillways or other water storage or flood control works, or in any other manner whatever. If, however, any of the above described water damage is caused in whole or in part by Lessor's active negligence, then Lessee shall have all rights, claims and causes of action against Lessor which Lessee would otherwise possess on account of said active negligence.

10. **Water Leasing and Funding Programs:** The Parties acknowledge and understand that there are leasing programs and federal funding for leasing water, making improvements to the water delivery, and rotational grazing systems to enhance the grazing of the property. The Parties agree to cooperate and use their best efforts to qualify for said program as follows:

10.1 Lessee or Lessor shall discuss strategy and determine which party will be the initiator of funding program contracts and in good-faith facilitate which improvements are most appropriate for the landscape.

10.2. Lessor reserves the right to lease up to 50% of the water rights for instream benefits.

11. **Maintenance:** Lessee shall have responsibility for maintenance as follows:

11.1 Lessee shall have responsibility for the maintenance of all interior and perimeter fences, corrals and gates. Any need, requirement or duty to construct additional fences, gates, or other improvements shall be the responsibility of the Lessee, unless otherwise agreed by Lessor in writing.

(a) Lessor shall provide up to twenty panels for corral improvements

(b) Lessee shall provide other corral improvements, such as a squeeze chute, and will maintain ownership of the improvements that are not permanently affixed to the ground or purchased by lessor.

11.2 Lessee shall have responsibility for the routine maintenance associated with the wear and tear of all existing water sources and systems, including but not limited to springs, ditches, pipes, troughs and other water storage and delivery facilities. In the event that Lessor and Lessee determine that a need exists to fence off springs to keep cattle away, or to build better troughs with pipes for watering cattle, Lessee shall do so under Lessor's supervision to ensure that such facilities are of good and lasting quality. Lessor and Lessee will reasonably cooperate on substantial projects that require new infrastructure improvements or replacements of major sections of existing infrastructure beyond routine maintenance.

11.3 Lessor shall have the right at Lessor's sole discretion to close any and all roads and to allow them to return to a natural state. Lessee shall not create or establish any new roads.

11.4 Lessee may use a portion of the barn for equipment storage, located at the headquarters, during the course of Lessee's operations on the Property.

11.4.1 Any additional infrastructure for storage must be approved in writing by Lessor, with considerations made for design, location, function and aesthetic. Such approved storage may be temporarily placed by Lessee for the sole purpose of this grazing lease. Upon termination of lease, storage must be removed in 30 days.

11.5 Lessee shall pay all costs in connection with Lessee's operations on the leased Property, including but not limited to all costs of tools and labor, electricity, water and other utilities, gas, diesel, and other materials, services and utilities of whatsoever kind and nature which may be used for Lessee's operations under this lease, and Lessor shall not be responsible for any part of such costs.

12. **Visitation and Recreation:** Lessor reserves right to provide access opportunities to visitors, school groups, researchers, scientists, and other guests. Lessee and Lessor will communicate in good faith to ensure that visitors or guests do not interfere with livestock operations.

13. **Taxes and Assessments:** Lessor shall be responsible for the payment of real property taxes and assessments levied on the leased Property. Lessee shall pay, prior to delinquency, all personal property taxes or assessments levied upon Lessee's personal property situated on or about the leased Property during the term of this Lease.

14. **Alterations and Mechanics' Liens:** All buildings, structures, installations, pumps, water delivery systems, tanks, troughs, water pipelines and other facilities, if any, now existing on the Property shall be and remain the property of Lessor.

14.1 Lessee shall not make or permit any alterations or improvements to the leased Property without the prior written consent of the Lessor. Lessee and Lessor acknowledge that Lessor hereby grants consent for Lessee to build and maintain gravity-fed spring boxes, as needed, to provide water for Lessee's cattle.

14.2 Upon termination or expiration of this Lease, all improvements and alterations shall be the property of Lessor, and no reimbursement to Lessee shall be required; provided, however, that Lessee may remove any and all such structures and facilities placed upon the Property by Lessee within sixty (60) days of the effective date of such termination, if in doing so Lessee is able to, and does restore the Property to substantially the same condition as it was in at the beginning of the term of this Lease.

14.3 Lessee shall keep the Property free and clear of any and all liens arising out of work performed or materials furnished at the request of Lessee, or obligations incurred by Lessee.

15. **Waste or Nuisance:** Lessee shall not commit or allow others to commit any waste upon the leased Property. Lessee shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined by California Civil Code Section 3479 on the leased Property. Lessee shall not use or permit the use of leased Property for any unlawful purpose.

16. **Insurance:** Lessee shall at all times during the term of this Lease, maintain and keep in force insurance coverage with insurers approved by Lessor which adequately protect both Lessee and Lessor against public liability and property damage upon leased Property. The minimum coverage required by this Section shall be two million dollars (\$2,000,000) bodily injury per individual, one million dollars (\$1,000,000) per occurrence, and one million dollars (\$1,000,000) property damage. Such insurance shall cover not only the liability of Lessee and Lessor against public liability and property damage, but also any liability that has been assumed by Lessee under the provisions of the indemnity agreements in this Lease. Any contract of insurance entered into by Lessee shall include a provision requiring timely notice to Lessor in the event of a cancellation of coverage by the insurer. It shall also include written waivers by the insurance carrier of all rights of subrogation that the insurer might otherwise have against Lessor, and shall name Lessor as an additional insured. Lessee shall within thirty (30) days of the date of this Lease deposit with Lessor a certificate showing that insurance required by

this Section to be in full force and effect during the term of this Lease. Lessee shall also be required to maintain the worker's compensation insurance required by law.

16.1 Lessor and Lessee hereby agree that neither Lessor nor Lessee shall be required to maintain fire and standard extended coverage insurance for the value of the improvements and appurtenances on the leased Property, as the buildings and structures are of minimal value to Lessor. In the event that any of the property is damaged or destroyed by fire, Lessor shall have no obligation to repair, replace or rebuild the improvements, appurtenances or buildings so destroyed or damaged.

16.2 If Lessee stores equipment in the barn (Term 11.4) or otherwise on the property, lessor is not responsible for replacement or damage to those items and lessee business personal property insurance will be applicable for coverage for any damages.

16.3 Lessee will carry auto insurance for vehicles used on the property, which includes either of the following. A commercial auto liability for \$1M for a combined single limit., or if a non-commercial policy a minimum of \$100K of coverage.

17. **Indemnification:** Throughout the term of this Lease, Lessee shall indemnify and hold Lessor harmless from all damages, injuries, or claims arising in or about the leased Property arising from Lessee's operations on the leased Property, including without limitation costs, expenses, damages or liability arising from the use, storage, disposal or emission of toxic substances, or occasioned wholly or in part by any act or omission of Lessee, its agents, contractors, employees, or invitees, or by anyone permitted to be on the Property by Lessee, except to the extent caused by the gross negligence or willful misconduct of Lessor, its employees or agents, and Lessee hereby releases Lessor from any liability for the same. Lessee shall also indemnify and hold Lessor harmless from all damages, injuries or claims arising out of the failure of Lessee to comply with any present or future law, ordinance, rule, regulation, requirement or order of the national, state, county or municipal government, or of any breach by Lessee of any of the covenants, conditions or provisions of this Lease. In case Lessor, its employees or agents are made a Party to any litigation commenced by or against Lessee, then Lessee shall indemnify, defend (with counsel satisfactory to Lessor) and hold them harmless and shall pay all costs, expenses, and reasonable attorneys' fees incurred or paid by them in connection with such litigation.

18. **Subleasing and Assignment:** Lessee shall have no right to sublet the Property. Lessee shall have no right to assign or transfer all or any part of this Lease, or any rights to it, at any time.

19. **Default by Lessee:** The occurrence of any of the following, in addition to any other occurrence so defined in this Lease, shall constitute a material default and breach of this Lease by Lessee:

- (a) Any failure by Lessee to pay the rent or to make any other payment required to be made by Lessee under this Lease on or before the date on which such payment is due, and for a period of fifteen (15) days after Lessor's written notice of such failure;
- (b) Any failure by Lessee to pay the rent or to make any other payment required to be made by Lessee under this Lease in the amount required under this Lease to be paid and for a period in excess of fifteen (15) days after Lessor's written notice of such failure;
- (c) Any unauthorized sublease, assignment or transfer of all or any part of this Lease, or any rights to it;

(d) The abandonment or vacation of the Property by Lessee: The total absence of Lessee from or the failure by Lessee to conduct business on the Property for a period in excess of sixty (60) consecutive days without prior written consent from Lessor shall constitute an abandonment or vacation for purposes of this Lease;

(e) This Lease or the Property or any part of the Property are taken upon execution or by other process of law directed against the Lessee, or are taken upon or subjected to any attachment by any creditor of Lessee or claimant against Lessee, and the attachment is not discharged within fifteen (15) days after its levy;

(f) Lessee files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under and insolvency act of any state, or if dissolved, or makes an assignment for the benefit of creditors;

(g) Involuntary proceedings under the bankruptcy laws or any insolvency act or for the dissolution of Lessee are instituted against Lessee, or a receiver or trustee is appointed for all or substantially all of Lessee's property, and the proceeding is not dismissed or the receivership or trusteeship is not vacated within sixty (60) days after the institution or appointment; or

(h) Lessee breaches any of the other agreements, terms, covenants, or conditions that this Lease requires Lessee to perform, and the breach continues for a period of thirty (30) days after notice of such breach by Lessor to Lessee.

20. **Default – Lessor's Remedies:** In the event of any default by Lessee under this Lease, in addition to any other remedies available to Lessor by law or in equity, Lessor shall have the right to terminate the Lease and all rights of Lessee hereunder by giving thirty (30) days' written notice of the termination. No act of Lessor shall be construed as terminating this Lease except written notice given by Lessor to Lessee advising Lessee that Lessor elects to terminate the Lease. In the event Lessor elects to terminate this Lease, Lessor may recover from Lessee:

(a) The worth at the time of the award of any unpaid rent that had been earned at the time of termination of the Lease;

(b) The worth at the time of the award of the amount by which the unpaid rent that would have been earned after termination of the Lease until the time of award exceeds the amount of rental loss that Lessee proves could have been reasonably avoided;

(c) The worth at the time of the award of the amount by which the unpaid rent for the balance of the term of this Lease after the time of the award exceeds the amount of the rental loss that Lessee proves could have been reasonably avoided; and

(d) Any other amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform its obligation under this Lease.

20.1. If Lessee breaches this Lease and abandons the Property before the natural expiration of the term of this Lease, Lessor may continue this Lease in effect by not terminating Lessee's right to possession of the Property, in which event Lessor shall be entitled to enforce all of its rights and remedies under this lease, including the right to recover the rent specified in this Lease as it becomes due under this Lease.