

June 22, 2015 -- Property Transaction Proposal

Colorado Parks and Wildlife

South Republican State Wildlife Area Hutton Parcel Fee Title Acquisition

Yuma County

28 acres

25 miles north of Burlington and 10 miles southeast of Idalia

Section 33-1-105 (3)(a), C.R.S. states:

In the event that the [Parks and Wildlife] Commission plans to acquire the fee title to any real property or to acquire an easement for a period to exceed 25 years or at a cost to exceed \$100,000 or to enter into any lease agreement for the use of real property for a period to exceed 25 years or at a cost to exceed \$100,000, or to sell or otherwise dispose of the fee title to any real property which has a market value in excess of \$100,000, the Commission shall first submit a report to the Capital Development Committee [CDC] which outlines the anticipated use of the real property, the maintenance costs related to the property, the current value of the property, any conditions or limitations which may restrict the use of the property, and, in the event real property is acquired, the potential liability to the state which will result from such acquisition. The CDC shall review the reports submitted by the Commission and make recommendations to the Commission concerning the proposed land transaction within 30 days from the day on which the report is received. The Commission shall not complete such transactions without considering the recommendations of the CDC, if such recommendations are timely made.

The required report is attached. CDC staff questions about the report are listed below.

Action Required

Recommend support for the fee title acquisition of the South Republican State Wildlife Area Hutton Parcel property (\$0 for 28 acres).

CDC Staff Questions

1. Why does the National Park Service consider the above-ground utility easement to be a "conversion" of the property from its original recreational purpose?

From the LWCF State Assistance Program Manual: Chapter 8, Section E: "Property acquired or developed with LWCF assistance shall be retained and used for public outdoor recreation. Any property so acquired and/or developed shall not be wholly or partly converted to other than public outdoor recreation uses without the approval of NPS . . ." NPS strictly construes the installation of any above-ground utility to be "converting" the property from outdoor recreation.

2. Does CPW own other property funded by the Land and Water Conservation Fund State Assistance Program? If so, have other easements required mitigation similar to this acquisition?

CPW does own other LWCF-funded property. Most were grants to the Division of Parks and Outdoor Recreation (prior to the merger) for state parks, reservoirs, campgrounds and recreation areas. A much smaller number were to the Division of Wildlife (prior to the merger). Most acquisitions were in the 1960s and 1970s; fewer in the 1980s. The most recent acquisition was in the early 1980s. CPW uses most of its LWCF funding for capital improvements and trail development and maintenance. The current CPW liaison with NPS for LWCF matters can recall no conversions in his six year tenure.

3. Why did CPW select the Hutton property rather than the other six possible replacement properties?

CPW field staff carefully considered all alternative replacements. This property is most advantageous because CPW hopes, at some point in the future, to exchange a portion of the newly-acquired property with an abutting landowner to replace CPW property containing center-pivot irrigation for abutting land that does not have irrigation land which would "square off" the northeast boundary of South Republican State Wildlife Area. This was the most beneficial of the alternative replacements.

4. What is the Jim Hutton Educational Foundation? Does this entity own other properties in Colorado?

The Jim Hutton Educational Foundation is an entity formed by the Hutton family following the deaths of the original landowners, James K. Hutton and Thelma Grace Hutton. The subject Hutton property contains approximately 4,065 acres. We do not know whether the Foundation or other Hutton family members own other properties.

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5. What are the terms of the easement? Will Tri-State be able to impose any land use or recreation restrictions on the land subject to the easement?

The proposed easement from CPW to Tri-State over the Bishop property would convey 1) the right to install and maintain above-ground electric transmission lines within a 150 foot wide easement, and 2) an access easement 30-feet wide for vehicular travel to the power line easement area for installation and maintenance purposes. The land that will be subject to Tri-State's easement will not have any use or recreational restrictions and Tri-State's uses will be limited to those noted above. All of CPW's remaining ownership rights will be affected only to the degree that CPW cannot interfere with Tri-State's easement rights.

Capital Development Committee

June 2015—Property Transaction Proposal

Department of Natural Resources
Division of Parks and Wildlife

Action Required	Pursuant to C.R.S. 33-1-105(3)(a) and C.R.S. 33-10-107(2) recommend to the Colorado Parks and Wildlife Commission support for the Division of Parks and Wildlife’s proposal to acquire fee title to two parcels adjacent to South Republican SWA as “replacement property,” required by US National Park Service Land and Water Conservation Fund regulations.
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General Information	
Name	South Republican SWA – Tri-State Easement/Hutton Fee Title Acquisition
Number of acres	28
Location	Approximately 25 miles north of Burlington and ten miles southeast of Idalia.
County	Yuma

Costs / Source of Funding			
Purchase Price	No monetary consideration	Funding Source	N/A
	<i>Spending authority has already been approved for this project in the Long Bill.</i>		
	Fiscal Year	N/A	
	Line Item	N/A	
	Appropriation	N/A	
	Remaining Unexpended Balance	N/A	
Annual Monitoring and Operation Costs	Property is surrounded by other South Republican SWA parcels so there are no additional monitoring or operations costs other than IAG.	Funding for Impact Assistance Grant (IAG) of the property will come from Wildlife Management Line Item under the Division Operations Group in the Long Bill. Estimated IAG in the annual amount of \$63.10.	
Development Costs	\$6,000 (\$4,000 for fencing; \$2,000 for tree and shrub planting)	The development costs will come from the Wildlife Management Line Item under the Division Operations Group in the Long Bill.	

Summary of Proposal:

Tri-State Generation and Transmission Association, Inc. (“Tri-State”) has proposed a new high-voltage electrical transmission line running from Burlington to Wray in Kit Carson and Yuma Counties. A portion of the easement will run through the South Republican State Wildlife Area/Bishop Parcel. The Bishop Parcel is owned by CPW and was acquired in 1972, in part, with funds provided by the National Park Service’s (“NPS”) Land and Water Conservation Fund, State Assistance Program (“LWCF”).

LWCF-funded property cannot be sold or altered from its “recreational” purpose without approval of NPS. Altering the nature of the property (including, in this instance, CPW granting to Tri-State an above-ground utility easement) is considered by NPS to be a “conversion” of the property from its original recreational purpose. If, after review by NPS, the “conversion” is allowed to proceed, CPW must be compensated with “replacement property” of suitable recreational land having equivalent or greater monetary value.

Tri-State presented CPW with six possible “replacement properties” abutting South Republican SWA. CPW field personnel identified the 28 acre Hutton parcels adjacent to CPW’s South Republican SWA/Wiley Parcel as the best alternative.

The new Tri-State transmission line cannot proceed without the CPW easement. In order for CPW to grant the necessary transmission line easement to Tri-State, CPW must accept the fee title transfer from the Jim Hutton Educational Foundation for approximately 28 acres of “replacement property” (12.749 acre parcel and 15.41 acre parcel). This property acquisition would be LWCF-required compensation for the “conversion” of a portion of the Bishop Parcel by the granting of the utility easement. CPW would pay nothing for these parcels. The purchase price would be paid to the landowner by Tri-State.

According to a review of the first map referenced below, the Property lies outside the scope of regions of known or potential geothermal resources. Also, according to a review of the second map referenced below, the Property lies outside the Central Solar Power and the Wind Resource Generation Development areas.

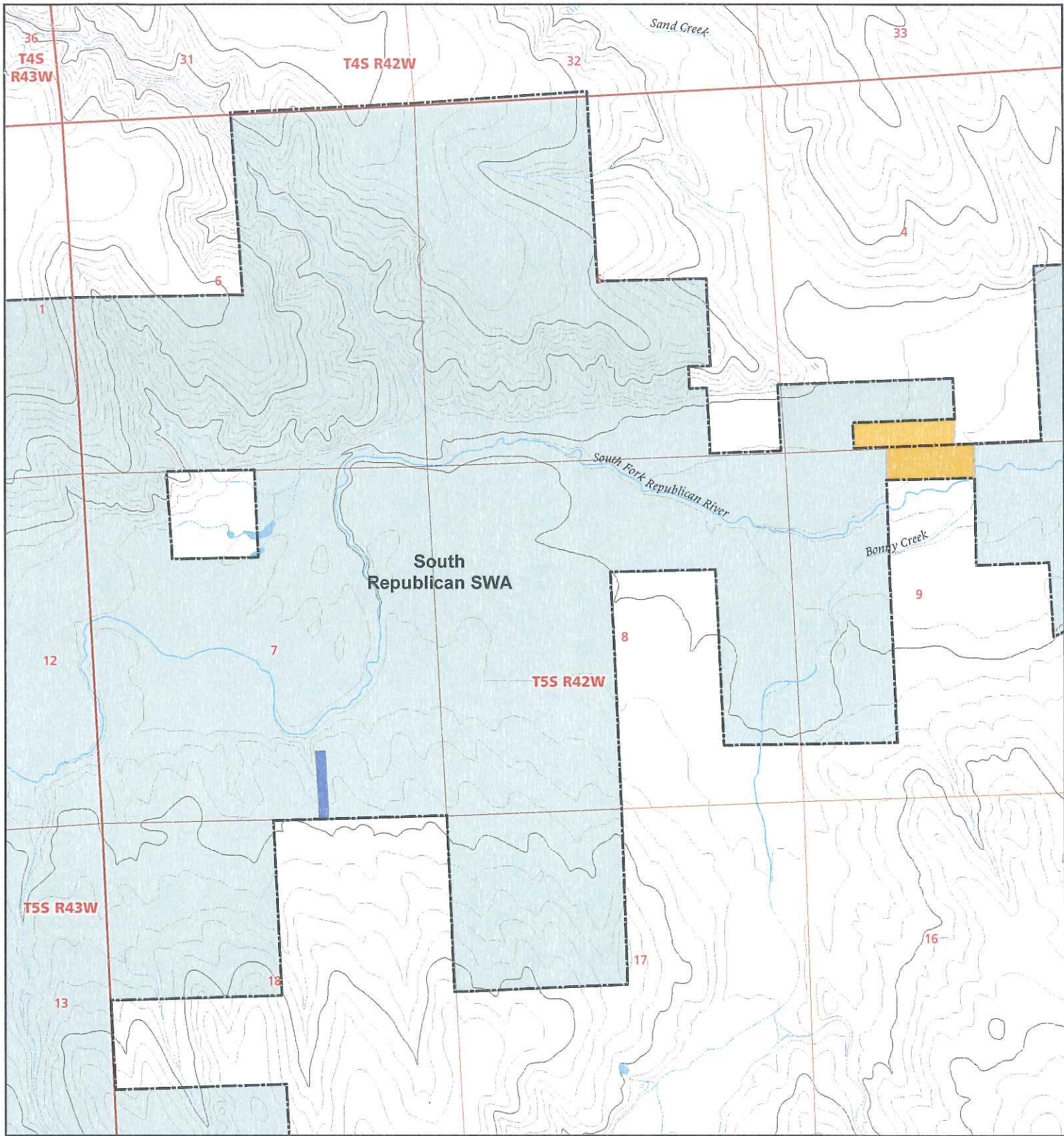
Geothermal: November, 2003 US Department of Energy, Office of Energy Efficiency and Renewable Energy, Geothermal Technologies Program.

Wind and Solar: A map entitled “SB07-91 Renewable Resource Generation Development Areas” from “Renewable Energy Development Structure,” a report of the Colorado Governor’s Energy Office dated December 2009.

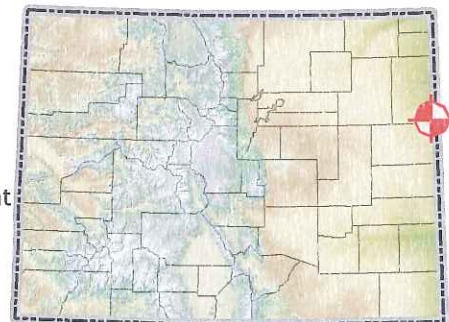
Current Use and Proposed Future Use. Both parcels are partially lightly wooded open grazing land. The 15.41 acres contains some riparian area. In the future, in addition to grazing, the property will be open for public access for hunting as part of South Republican SWA.

Attachments:

- Map
- Concurrence letters
- Three (3) comparables from appraisal

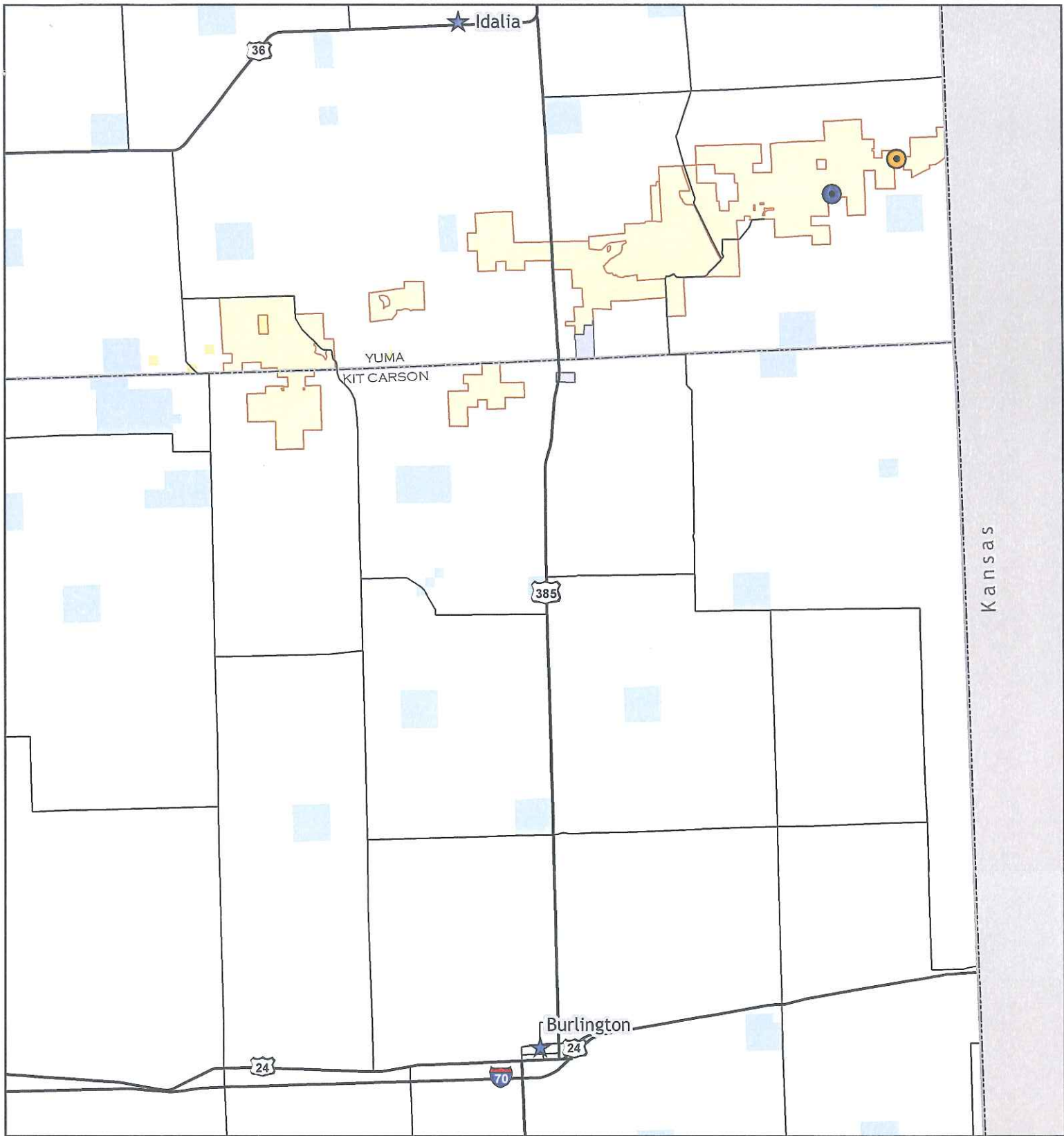


South Republican SWA - Tri-State
 Transmission Line Easement
 Conversion and Replacement Parcels
 Project No. 15-021 | Yuma County | Site Map









South Republican SWA
 Replacement Parcel
 Transmission Line Easement

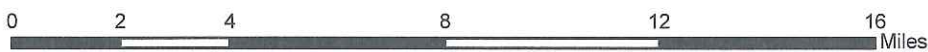


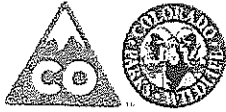


South Republican SWA - Tri-State
 Transmission Line Easement
 Conversion and Replacement Parcels
 Project No. 15-021 | Yuma County | Vicinity Map



-  Replacement Parcel
-  Transmission Line Easement
-  South Republican SWA
-  Landsman Creek STL
-  State
-  BLM





COLORADO

Parks and Wildlife

Department of Natural Resources

Southeast Region, Area 14
4255 Sinton Road
Colorado Springs, CO 80907
P 719.227.5200 | F 719.227.5223

May 11, 2015

Representative Jon Becker
200 East Colfax
Denver, CO 80203

Re: Replacement property acquisition for Tri-State Generation Transmission Line

Dear Representative Becker,

I am writing to request your support for a project CO Parks & Wildlife (CPW) is presenting to the Capital Development Committee of the Colorado Legislature. Tri-State Generation and Transmission Association, Inc. (Tri-State) is constructing a major new electric transmission line along the eastern border of Colorado between Burlington and Wray. Tri-State has requested an easement from CPW over the Bishop Parcel which is part of South Republican State Wildlife Area.

The Bishop Parcel was acquired by CPW, in part, by a grant provided by the National Park Service's (NPS) Land and Water Conservation Fund, State Assistance Program (LWCF). LWCF-funded property cannot be sold or altered from its recreational purpose without approval of NPS. In order for CPW to grant an easement to Tri-State, the NPS is requiring Tri-State to acquire "replacement property" for the portion of the Bishop Parcel being "converted" from its original purpose.

Tri-State presented CPW with six possible "replacement properties" abutting the South Republican SWA. We identified a 28 acre parcel adjacent to CPW's South Republican SWA/Wiley Parcel as the best replacement property for CPW's purposes.

Tri-State's new transmission line cannot proceed without the easement from CPW over the Bishop Parcel. The acquisition by CPW of fee title to the 28 acre "replacement parcel" is a condition of the National Park Service for allowing the easement because of the LWCF funding. CPW is paying nothing for the 28 acres; the purchase price will be paid to the owner by Tri-State.

Colorado Parks & Wildlife respectfully requests your approval to move forward with granting the transmission line easement to Tri-State and CPW's acceptance of the 28 acres of replacement land. If you either approve, or do not object to, these transactions, please sign

Bob D. Brodhead, Director, Colorado Parks and Wildlife • Parks and Wildlife Commission: Robert W. Erzy, Chair • Chris Costigan, Vice Chair
Jeanne Horne, Secretary • John Howard, Jr. • Bill Kane • Dale Puzel • James Priddy • James Vigil • Dean Wingfield • Michelle Zimmerman • Alex Zipp



at the bottom of this letter and return it to me at my address below or fax number (719-227-5223) as soon as it is convenient. If you have any questions, or wish to discuss this matter further, please do not hesitate to call me at 719-227-5218 or my cell phone, 719-439-9634. Colorado Parks & Wildlife thanks you for your time in considering this matter.

Sincerely,



Frank McGee
Area Wildlife Manager
4255 Sinton Road
Colorado Springs, CO 80907

I support, or do not oppose, this proposal.



Representative Jon Becker

Date: 5-21, 2015



COLORADO

Parks and Wildlife

Department of Natural Resources

Southeast Region, Area 14
4255 Sinton Road
Colorado Springs, CO 80907
P 719.227.5200 | F 719.227.5223

May 6, 2015

Yuma County Board of County Commissioners
310 Ash, Suite A
Wray, CO 80758

Re: Replacement property acquisition for Tri-State Generation Transmission Line

Dear Commissioners,

I am writing to request your support for a project CO Parks & Wildlife (CPW) is presenting to the Capital Development Committee of the Colorado Legislature. As you are undoubtedly aware, Tri-State Generation and Transmission Association, Inc. (Tri-State) is constructing a major new electric transmission line along the eastern border of Colorado between Burlington and Wray. Tri-State has requested an easement from CPW over the Bishop Parcel which is part of South Republican State Wildlife Area.

The Bishop Parcel was acquired by CPW, in part, by a grant provided by the National Park Service's (NPS) Land and Water Conservation Fund, State Assistance Program (LWCF). LWCF-funded property cannot be sold or altered from its recreational purpose without approval of NPS. In order for CPW to grant an easement to Tri-State, the NPS is requiring Tri-State to acquire "replacement property" for the portion of the Bishop Parcel being "converted" from its original purpose.

Tri-State presented CPW with six possible "replacement properties" abutting the South Republican SWA. We identified a 28 acre parcel, currently owned by the Hutton Trust, adjacent to CPW's South Republican SWA/Wiley Parcel as the best replacement property for CPW's purposes.

Tri-State's new transmission line cannot proceed without the easement from CPW over the Bishop Parcel. The acquisition by CPW of fee title to the 28 acre "replacement parcel" is a condition of the National Park Service for allowing the easement because of the LWCF funding. CPW is paying nothing for the 28 acres; the purchase price will be paid to the Hutton Trust by Tri-State.

Colorado Parks & Wildlife respectfully requests your approval to move forward with granting the transmission line easement to Tri-State and CPW's acceptance of the 28 acres of



replacement land. If you either approve, or do not object to, these transactions, please sign at the bottom of this letter and return it to me at my address below or fax number (719-227-5223) as soon as it is convenient. If you have any questions, or wish to discuss this matter further, please do not hesitate to call me at 719-227-5218 or on my cell phone, 719-439-9634. Colorado Parks & Wildlife thanks you for your time in considering this matter.

Sincerely,



Frank McGee
Area Wildlife Manager
4255 Sinton Road
Colorado Springs, CO 80907

We support, or do not oppose, this proposal.



Yuma County Board of County Commissioners

Date: 5/15/15, 2015

**South Republican SWA – Tri-State Easement
Fee Title Acquisition of “Replacement Parcels”
15-021-SE**

Real Estate Comparables from Appraisal with Effective Date of
December 30, 2014

Sale No. 2

Sale Date: December 13, 2014
Acreage: 640.48
Location: Western Yuma County
Per acre value: \$600

Sale No. 4

Sale Date: June 14, 2014
Acreage: 414.30
Location: Southeastern Yuma County
Per acre value: \$632

Sale No. 5

Sale Date: May 13, 2014
Acreage: 467.99
Location: Southwestern Yuma County
Per acre value: \$607