These abbreviated summary minutes and the audio recording will become the official adopted minutes at the next Land Board meeting when the board votes to officially approve them. Until then they are considered a draft.

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MINUTES
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
Monday, November 19, 2012, at 9:00 a.m.
State Capitol
Helena, MT

Please note: *The Land Board has adopted the audio recording of its meetings as the official record, as allowed by 2-3-212, MCA. These minutes provide an abbreviated summary of the Land Board discussion, public testimony, action taken, and other activities. The time designations listed are approximate and may be used to locate the referenced discussion on the audio recording of this meeting. Access to an electronic copy of these minutes and the audio recording is provided from the Land Board webpage at http://dnrc.mt.gov/LandBoard. The written minutes summary, along with the audio recordings, are listed by meeting date on the Land Board Archive webpage.*

Members Present

Governor Brian Schweitzer
Attorney General Steve Bullock
Commissioner of Securities and Insurance Monica Lindeen
Secretary of State Linda McCulloch
Superintendent of Public Instruction Denise Juneau

Members Absent

None

Testifying Staff

Mary Sexton, DNRC Director
Darlene Edge, FWP Land Conservation Specialist
Tom Butler, Montana Highway Patrol

Attachments

Related Materials, Attachment 1 – Sign-in sheet
Related Materials, Attachment 2 – Public petition (1112-1 and 1112-6B)
Related Materials, Attachment 3 – Maggie Nutter testimony (1112-1 and 1112-6B)
Related Materials, Attachment 4 – Dave Skinner testimony
Related Materials, Attachment 5 – Whitefish community letter (1112-5B and 1112-7B)

Call to Order

00:00:00 Governor Brian Schweitzer called the meeting to order. Ms. McCulloch moved to approve the October 15, 2012, minutes. The motion was seconded by Ms. Juneau and carried unanimously.

Business Considered

1112-1 FWP: Land Acquisition – Milk River Ranch

00:00:11 Ms. Sexton
00:00:53 Ms. Edge gave an overview of the item.

Public Comment

00:05:36 Representative Kerry White, HD 70 (also representing Rep. Kristin Hansen HD 33, Rep. Wendy Warbuton HD 34, and Sen. John Brendan SD 18)
00:08:07 Robert Kaul
00:10:38 Jim Brown, Montana Wool Growers Association attorney

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00:13:17 Maggie Nutter, Marias River Livestock Association president
00:15:45 Jim Warbuton
00:16.41 Budd Cobb (also representing Arnie Hall)
00:17.47 Stan Frasier
00:18:58 LaNay Kapperud

00:21:23 Ms. McCulloch moved to approve the acquisition contingent upon final FWP Commission approval. The motion was seconded by Ms. Juneau.

Board Discussion/ Questions

00:21:40 Governor Schweitzer
00:25:53 Ms. Lindeen
00:26:02 Ms. Sexton
00:26:06 Ms Lindeen
00:26:07 Ms. Sexton
00:26:11 Ms. Lindeen
00:26:33 Ms. Edge
00:27:08 Ms. Lindeen
00:27:11 Ms. Edge
00:28:01 Ms. Lindeen
00:28:17 Ms. Edge
00:28:30 Ms. Sexton
00:29:04 Ms. Lindeen
00:29:17 Ms. Edge
00:29:42 Ms. Lindeen
00:29:49 Governor Schweitzer

00:31:10 The motion to approve the FWP Milk River Ranch land acquisition carried unanimously.

1112-2 Department of Justice (Highway Patrol) Land Acquisition – Hysham Communications Site

00:31:14 Ms. Sexton
00:31:39 Mr. Butler gave an overview of the item.

00:33:18 Mr. Bullock moved to approve the acquisition. The motion was seconded by Ms. Lindeen.

Board Discussion

00:33:24 Mr. Bullock

00:33:50 The motion to approve the acquisition carried unanimously.

1112-3 Timber Sales:

A. Gough Creek
B. Omega (Limited Access)
C. Porter Creek
D. Slocum Creek
E. Windy Pass (Salvage)

00:33:53 Ms. Sexton gave an overview of the items 1112-3A through 1112-3E.
00:37:07 Ms. Lindeen moved to approve items 1112-3A through 1112-3E. The motion was seconded by Mr. Bullock and carried unanimously.

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1112-4 Administrative Rule Adoption – Navigable Rivers

00:37:19 Ms. Sexton gave an overview of the item.

00:38:41 Ms. Juneau moved to approve the draft adoption notice. The motion was seconded by Ms. McCulloch and carried unanimously.

1112-5 Land Banking Parcels: Final Approval for Sale

A. Daniels County

00:38:52 Ms. Sexton gave an overview of the item.

00:39:43 Ms. McCulloch moved for final approval of item 1112-5A. The motion was seconded by Mr. Bullock.

Board Discussion/Comments

00:39:47 Governor Schweitzer
00:40:10 Ms. Sexton
00:40:11 Governor Schweitzer

00:41:50 The motion for final approval of the Daniels County parcel acquisition was carried unanimously.

B. Flathead County

00:41:57 Ms. Sexton gave an overview of the item.

Public Comment

00:43:05 Mike Goguen
00:44:03 Dave Skinner
00:46:06 John Anderson, Whitefish City Council

00:46:39 Ms. Lindeen moved for final approval of item 1112-5B. The motion was seconded by Ms. McCulloch and carried unanimously.

1112-6 Land Banking Acquisitions: Final Approval:

A. Milk River Ranch

00:46.53 Ms. Sexton gave an overview of the item.

Public Comment/Board Discussion

00:48:28 Mr. Warbuton
00:49:18 Mr. Kaul
00:50:27 Ms. Nutter, President Marias River Livestock Association
00:51:15 Mr. Cobb
00:52.02 Governor Schweitzer
00:55:09 Mr. Cobb
00:55:13 Governor Schweitzer
00:55:14 Mr. Cobb
00:55:24 Governor Schweitzer
00:55:43 Mr. Cobb
00:56:11 Governor Schweitzer
00:56:30 Mr. Cobb
00:56:38 Governor Schweitzer

00:57:01 Ms. Juneau moved for final approval of the DNRC Milk River Ranch land acquisition. The motion was seconded by Ms. McCulloch and carried unanimously.

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B. North Swan (Phase II)

00:57:15 Ms. Sexton gave an overview of the item.

Public Comment/Board Discussion

00:58:32 Dave Skinner
01:01:18 Governor Schweitzer
01:01:22 Mr. Bullock moved for final approval of the land acquisition. The motion was seconded by Ms. McCulloch.

Board Discussion/Comments

01:01:35 Ms. Lindeen
01:01:45 Ms. Sexton
01:02:00 Governor Schweitzer

01:02:02 The motion for final approval of the North Swan (Phase II) land acquisition was carried unanimously.

1112-7 Easements:

A. Rights-of-Way

01:02:07 Ms. Sexton gave an overview of the item.
01:03:10 Mr. Bullock moved to approve the easements. The motion was seconded by Ms. McCulloch and carried unanimously.

B. Public Recreational Use Easement – City of Whitefish

01:03:22 Ms Sexton gave an overview of the item.

Public Comment

01:06:36 Whitefish Mayor John Muhlfeld
01:09:06 Lin Akey, Whitefish Legacy Partners (WLP) chair
01:11:00 Mike Goguen
01:12:11 Diane Conradi, WLP transaction advisor
01:15:30 Heidi Van Everen, WLP executive director
01:18:45 Hank Ricklefs, WLP
01:20:28 Steve Thompson, WLP
01:23:29 Andy Feury, former Whitefish Mayor
01:25:07 Mr. Skinner
01:28:10 John Anderson, Whitefish City Council
01:31:27 Lisa Jones

01:32:38 Ms. McCulloch moved to approve the recreational use easement. The motion was seconded by Ms. Juneau.

Board Discussion /Questions

01:32:42 Governor Schweitzer
01:33:52 Ms. Sexton
01:34:07 Governor Schweitzer
01:36:11 Ms. McCulloch
01:37:04 Governor Schweitzer

01:37:06 The motion to approve the recreational use easement was carried unanimously.

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1112-8 Northern Cheyenne Tribe and Ark Land Company – November 6 Operating Plans Submittal

01:37:11 Ms Sexton gave an overview of item.

Public Comment/Board Discussion

01:40:32 John Robinson, Northern Cheyenne Tribal President
01:42:27 William Walksalong, Northern Cheyenne Director of Natural Resources
01:47:03 Brian Chestnut, Northern Cheyenne attorney
01:47:35 Governor Schweitzer
01:47:50 Mike Rollins, Otter Creek Coal Director of Operations
01:48:56 Alan Bryan, Ark Land Company attorney

01:49:40 Ms. McCulloch moved to approve the operating program plans as meeting the terms of the settlement agreement subject to all necessary environmental permits; and to forward the operating plans for inclusion in the mine operating and reclamation plans as a special conditions. The motion was seconded by Ms. Juneau.

Board Discussion/Questions

01:50:13 Ms. Lindeen
01:51:04 Ms. Sexton
01:51:52 Ms. Lindeen
01:51:54 Ms. Sexton
01:52:23 Governor Schweitzer
01:52:32 Jeff McCubbin, Otter Creek Coal and Ark Land Company attorney
01:52:53 Ms. Lindeen
01:52:58 Ms. McCulloch
01:53:55 Mr. Bullock
01:54:36 Ms. Juneau
01:55:26 Governor Schweitzer

01:56:00 The motion carried unanimously.

General Public Comment

01:56:30 Ms. Nutter
01:57:32 Governor Schweitzer

Adjournment

01:58:51 Adjournment

PRESIDENT

/s/
Brian Schweitzer, Governor

ATTEST

/s/
Mary Sexton, DNRC Director

DRAFT

Related Materials
Attachment 1

LAND BOARD MEETING SIGN-IN SHEET
November 19, 2012

NAME	AFFILIATION	E-MAIL	Check to be added to the interested parties list.
Maggie Nutter	Marias River Livestock Assn	nutter@northwestlink.net	
DAVE SKINNER	TAXPAYERS	DASKINNER@CENTURYTEL.NET	
Budd Cobb	Rudyard, mt.	none Bird Hunter	
MIKE GOGUEN	self	mgoguen234@gmail.com	
ANDY FEURY	City of Whitefish	andyfeury@hotmail.com	
DAVE OSBORNE	MHP	dosborne@mt.gov	
LIN AKEY	Whitefish Legacy Partners	lakey@glacierbank.com	
ARNIE HALL	HALL RANCH	dmc411@MTINTOUCH.NET	
DIANE COLLINS	✓	✓	
Diane Conradi	WLP/2Bear	diane@landwaterlaw.com	
Becky Edwards	WLP/2Bear	rebecca.edwards.mt@gmail.com	
Mat Dieterman		bobg1@att.net	
Bob Lemann		" " " "	
JAMES WARBURTON	RANCHER		
LaNay Kapperud	Farmer	cathykapp@yahoo	
ROBERT L. HALL	citizen		
Leo Berry	DNRC		
KERRY WHITE	HD 70	WINWITHWHITE@GMAIL.COM	✓
Jim Brown	MWGA	THUNDERCHIEF@GMAIL.COM	✓
Greg Gunderson	citizen	g3planning@gmail.com	✓
HEIDI VANEVERY	WLP/Whitefish	heidi@whitefishlegacy.org	✓
Steve Thompson	WLP	sthompsonmt@gmail.com	
Nancy Woodruff	WLP	nwoodruff@bresnan.net	

Contact Lucy Richards at lrichards@mt.gov or indicate on this sign-in sheet if you would like to be placed on the monthly agenda distribution list.

Related Materials
Attachment 1

LAND BOARD MEETING SIGN-IN SHEET
November 19, 2012

NAME	AFFILIATION	E-MAIL	*Check to be added to the interested parties list.*
Stan Frasier	Helena Hunters		
[illegible]	NCTC		
Bob Kiesling	self	robertkiesling@gmail.com	✓

Contact Lucy Richards at lrichards@mt.gov or indicate on this sign-in sheet if you would like to be placed on the monthly agenda distribution list.

We, the undersigned, state our objection to the Milk River Ranch land acquisition by the Montana Fish, Wildlife, & Parks, and Department of Natural Resources and Conservation. Our first fundamental objection is to the State of Montana acquiring any more land in fee. Our second fundamental objection is that to amount to due process, a public hearing must be adequately staffed to address the questions and concerns of the attendees. At the public hearing by Fish, Wildlife, and Parks on October 30, 2012, at the Hill County Electric Meeting Room, the FWP officer was unable to answer citizen questions concerning appraisal, tax, land valuation, future plans for bison establishment, future plans for access, dates for future public hearings and input at the commission level, and dates for future public hearings and comment before the land board. The October 30, 2012, meeting did not satisfy the intent of the open meeting laws and due process.

Lane Rigg	Rudyard MT 59540	Box 81
Todd Engel	Rudyard MT 59540	Box 105
[illegible]	Rudyard, MT 59540	Box 295
[illegible]	Gildford, Mt. 59525	Box 176
Robert Toner	Rudyard Mont. 59540	Box 181
Dale Dahlke	Rudyard Mt. 59540	Box 294
Wade Rigg	" " "	" 88
Brad Anderson	" "	118
Roger HAAS	Hingham MT 59528	Box 113
Lazel May	Rudyard, MT 59540	PO Box 265
Dan Dunnan	3884 Rudyard Rd S 59540	PO. Box 133
Byron Wilts	630 Montana Ave Havre MT 59501	[illegible]
Cliff Ulmen	Rudyard, MT 59540	Box 203
Dave Strand	RuDyarD, MT 59540	Box 188
Ronald Sprecher	Hingham, MT 59528	Box 255
Lowell Strand	Hingham Mt 59528	Box 254
Paul McClendon	Rudyard, MT 59540	Box 110
Mark Wicks	Inverness, MT 59536	Box 800
Rich Poole,	Rudyard MT 59540	Box 225
Larry Boehm	Rudyard MT 59540	Box 73
Joseph M Lincoln	Rudyard MT 59540	Box 177
Keota Hansen	Rudyard MT. 59540	412 Hansen Drive
Elton Bystrom	INVERNESS, MT. 59530	Box 767
Todd E Adams	Gildford, MT 59525	Box 165
[illegible]	Rudyard MT 59540	Box 31
Darius Wendel	Rudyard, MT 59540	Box 62

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Leslie Smith	Rudyard, MT 59540	P.O. Box 252
[illegible] Harrison	Rudyard, MT 59540	P.O. Box 197
[illegible]	Rudyard MT 59540	PO Box 155
Bill Langel	Rudyard MT 59540	PO Box 208
Brent Peterson	Havre MT 59501	
Stan Haas	Hingham MT 59528	Box 136
Wm [illegible]	Rudyard MT 59540	Box 204
DAN Redding	Rudyard MT 59540	P.O Box 23
Beulah E Rajering	Rudyard, MT 59540	PO Box 151
Fern E. Engenbright	Hingham MT 59528	19061 Rd 40 S
Bert Engenbright	Hingham MT 59528	19061 Rd 40 S
Keith Vande Sandt	INVerness 59530	505 Main Box 826
[illegible]	Kremlin MT 59532	PO Box 71
Michael FASNIK	Hingham, MT 59528	Po Box 222
Denise Fry	Hingham, MT 59528	Box 222
Barbara T Halter	Rudyard MT 59540	BOX 201
Ron Throsdose	Hingham, MT 59528	Box 101
Lloyd Vande Sandt	Gildford, MT. 59526	
Darrell Hassa	Rudyard, MT 59540	Box 93
Wayne Spiker	Inverness, MT. 59530	22264 Rd.
Tom [illegible]	Hingham, MT 59528	PO Box 82
Marilyn Juenka	Hingham, MT 59528	PO Box 82
Robert L. Kaul	Havre, MT 59501	15-16th St W

We, the undersigned, state our objection to the Milk River Ranch land acquisition by the Montana Fish, Wildlife, & Parks, and Department of Natural Resources and Conservation. Our first fundamental objection is to the State of Montana acquiring any more land in fee. Our second fundamental objection is that to amount to due process, a public hearing must be adequately staffed to address the questions and concerns of the attendees. At the public hearing by Fish, Wildlife, and Parks on October 30, 2012, at the Hill County Electric Meeting Room, the FWP officer was unable to answer citizen questions concerning appraisal, tax, land valuation, future plans for bison establishment, future plans for access, dates for future public hearings and input at the commission level, and dates for future public hearings and comment before the land board. The October 30, 2012, meeting did not satisfy the intent of the open meeting laws and due process.

Donald A. Richman	Box 774 Harlem, MT. 59526
Rodney Burke	42050 U.S Highway 2 Harlem, MT 59526
Timothy Richman	Box 1081 Harlem, MT 59526
K. M. Hansen	Box 686 Harlem MT 59526
Mary Ann Richman	Box 185 Harlem, MT 59526
[illegible]	Box 1134 Chinook, MT 59523

We, the undersigned, state our objection to the Milk River Ranch land acquisition by the Montana Fish, Wildlife, & Parks, and Department of Natural Resources and Conservation. Our first fundamental objection is to the State of Montana acquiring any more land in fee. Our second fundamental objection is that to amount to due process, a public hearing must be adequately staffed to address the questions and concerns of the attendees. At the public hearing by Fish, Wildlife, and Parks on October 30, 2012, at the Hill County Electric Meeting Room, the FWP officer was unable to answer citizen questions concerning appraisal, tax, land valuation, future plans for bison establishment, future plans for access, dates for future public hearings and input at the commission level, and dates for future public hearings and comment before the land board. The October 30, 2012, meeting did not satisfy the intent of the open meeting laws and due process.

Gilbert Vanlandingham, 17935 Rd 200 N. Gildford mt. 59525
Joyce Lindahl 15176 Hingham Rd. N. Gildford MT 59525
Timothy A. Grytdal 24560 Road 145 N. Gildford MT 59525
Kerry Patrick 13269 GOLDSTONE RD HINGHAM, MT 59528
Diana S Patrick 13269 Goldstone Rd Hingham, mt 59528

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Box 1256 Havre MT 59501

Box 1256 Havre MT 59501

Donald Vesterheim 45025 Rd 220N Havre mt 59501

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Name	Address
M. Shum	523 5th Ave. Gildford, MT 59525
Lonnie Miller	420 - 1st St. " "
Mary Lou Miller	420 - 1st St Gildford
Walter Myers	601 - 2nd St. Hingham
Carroll M[illegible]	PO. Box 212, Hingham MT 59528

We, the undersigned, state our objection to the Milk River Ranch land acquisition by the Montana Fish, Wildlife, & Parks, and Department of Natural Resources and Conservation. Our first fundamental objection is to the State of Montana acquiring any more land in fee. Our second fundamental objection is that to amount to due process, a public hearing must be adequately staffed to address the questions and concerns of the attendees. At the public hearing by Fish, Wildlife, and Parks on October 30, 2012, at the Hill County Electric Meeting Room, the FWP officer was unable to answer citizen questions concerning appraisal, tax, land valuation, future plans for bison establishment, future plans for access, dates for future public hearings and input at the commission level, and dates for future public hearings and comment before the land board. The October 30, 2012, meeting did not satisfy the intent of the open meeting laws and due process.

Name	Address			
Lonnie L. Kappenman	Box 221	Gildford,	MT.	59525
Mary L. Kappenman	Box 223	Gildford,	MT.	59525
Roger Barber	Box 103	Gildford	MT	59525
Donald Miller	Box 146	Gildford	MT	59525
Perry Stevenson	" 272	"	"	"
Peter Northcott	Box 129	GILDFORD	MT	59525
[illegible]	Box 84	"	"	"

Nov 19-2012

I am Maggie Nutter from Sweet Grass Montana. I represent myself as a Private Property owner and also as President of Marias River Livestock Assn, I speak for over 100 members from Toole, Liberty, Pondera + Glacier County.

Myself and the Marias River Livestock Assn Oppose the purchase of the Milk River Ranch -Aagesons property. While we totally respect the Property owners rights to sell their property we oppose the Purchase of this property by the DNRC and FWS.

Having read the comments submitted to the MT FWP's for and against the Purchase, What we found is that people may have

a misguided and over confident view of what the FWP can or will do for the Property in question.

In Foole County the recently purchased Moriss River State Park or as most locals call it "The old Charlie Lincoln Place" is an example of the high ambitions of the FWP's ~~and wi~~ but lack of actual Fruition of the Plan. I have spoken with both Property owners boardering Charlies Place and citizens who use to be welcome on Charlies to fish and hunt.

I have not personally heard much positive information about the FWP's management of this Property.

Charlie was not a proponent of chemical weed control. There were large and sporadic Stands of Spotted knap weed and Leafy Spurge. Charlie was alway very concerned about how fragile the steeply cut land along the river was. In speaking with Charlie when he was alive he was very addamant about the need for very cautious grazing practices. In his later years less grazing and little weed control actual were counter productive for the land, according to one neighbor.

~~One~~ With the Purchase of the property by FWP the grazing by sheep was discontinued. Even with the release of beetles the weed problem continues and the lack of grazing has made the tall dry grass a fire hazard

which threatens boarding property.

Personal expirence and observation by myself and nieghbors is that deer like fresh grass. Deer may hide in CRP or over grown pasture but they take a hike every evening to grazed land or mowed areas to eat.

Some of the best deer habitate is on cattle ranches, where livestock keeps new growth coming in. Our hay meadows are regularly grazed by whitetail and Elk.

When I read the Environmental Assessment ~~and~~ Page 11 ~~Two~~ do not see the positive side of this action discussed. It has been held in its present conidion by concimous land owers. Why is it automatically

assumed the next land owner would be distructive. There is also the possibility the owners would continue the grazing and farming practices that are currently there.

There is also a concern about easy access for the public. In Toole county they was discussion about poor access to parts of Charlies place prior to the FWP's purchase. This lack of good access has become an issue in the community and caused poor relationships between FWP and land owners. It has actually caused Reduced hunting opportunities.

When looking at the maps for the Proposed Milk River Ranch Purchase it seem that

there is again the possibility for these issues to arise. Much of the property ~~pachas~~ in the proposed purchase is bordered by private land or the Canadian Border.

This is also a concern that with no off road vehicle use the access for the young and elderly or those of disability would be limited. Pages 29 + 30 speak of ~~closing roads~~ minimizing use of off-road vehicles or of closed roads. This seems counter productive to the goal of increased public access.

We also oppose the FWP purchase of the mineral rights to prevent energy development. In Foole and Liberty

Counties there are numerous ranches that have gas or oil developments and still maintain a high if not over population of whitetail, antelope, elk and birds. We have not personally seen a correlation between energy developement and reduced wildlife population in our area.

Marias River Livestock Association therefore suggests the Land Board does not approve this purchase and the the FWP exercise the no action alternative

Respectfully

Maggie Nutter

Marias River Livestock Association

BEAVER 1112 7B

WLP Beaver Land Board testimony

I'd like to thank the Land Board for having North Swan on the docket today, because it has important relevance to the Beaver/Skyles conservation easement.
When Mr. Wheeler did his appraisal for the 2010 west side CEs, he calculated the easements at 83 percent of full fee.
The $14.8 million "bargain sale" in 2010 or 11 nonetheless paid TNC 68 percent of full value for the development rights extinguished...based on the 2010 appraisal, which as I said earlier, was $2,331 per acre or $21.79 million.
Mr. Neibergs valuation of unencumbered fee rights on the Beaver/Skyles properties averaged $10.86 million across 1525 acres, or $7,121 per acre.
His after values for the rights being extinguished by the Beaver Skyles CE (oops, pardon me, "public recreation use" easement) totaled $7.231 million, or $4,742 per acre, and Mr. Neibergs helpfully notes the percentage diminution in value for each side, roughly 62 and 67 percent, overall about 67%.
While that seems even-Stephen with the West Swan CE's, it is not.
TNC actually paid Plum Creek $1,428/acre, therefore the real net percentage of TNCs fee interest extinguished by the West Swan CE's ($1,582) is 110%, and TNC still has title.
When we examine the Whitefish State Trust Lands Neighborhood Plan itself, the Plan presumes an average value of $8,743/acre using state government estimates, but "actual appraisals around Whitefish are likely to be higher than this estimate." For his part, Mr. Neibergs' analysis said we are at 2004 levels today price wise.
The Plan assumes extinguishments such as Beaver-Skyles would produce "roughly $4,372 per acre," based on "Pending legislation, which would allow for the purchase of development rights by private parties, values this type of conservation easement at 50 percent of the per-acre land value."
I remind you that pending legislation never passed, which is why this is a "public recreation use" rather than CONSERVATION easement.
So, based on the Plan, the beneficiaries are only getting 50 percent payment for the property rights being taken away.
How much value is actually being extinguished? Well, the highest-valued North Swan land in the 2010 CE carried a $5000 per acre raw value. Mr. Wheeler calculated a remainder value of $400 per acre for the remaining timber harvest right, all that is left.
Mr. Neibergs also calculates a $238 per acre 50% harvest value at Whitefish, which fits with Wheeler, and indicates the actual remainder value is nowhere near Mr. Neiberg's 33 percent or the Plan's 50 percent conclusion of remaining value.
Furthermore, given the unexplained and probably illegal delay of the Spencer Mountain timber sale, which should finally be on the Board docket next month, DNRC's ability to realize revenue from WSTLNP is not assured. Assuming the remainder rights left to the trusts are anything over $500 is completely mistaken.
How much does this easement short the affected beneficiary trusts?
Using Neibergs' fee simple as a basis, $7,121 minus $500 remainder, minus $4,742, leaves $1,879 per acre uncompensated, $2.87 million short of full-value.
Using Whitefish Plan as a basis, $8,743 minus $500 remainder, minus $4,742 payment, leaves $3,501 per acre uncompensated, or $5.34 million short.

And yep, I saw the easy-payment appendix, finally, on Thursday night. Even if we ignore the Plan assumptions with the extra $60 grand or so, the trusts still wind up $2.81 million to the bad.

It seems that for today anyway, the Nature Conservancy is getting far closer to full value for its interests than the affected trust beneficiaries are getting for theirs. Given that our Constitution expects the Land Board to "secure the largest measure of legitimate advantage to the beneficiary" of state trusts, I must wonder why.

DOLLAR 1112 SB

Dollar Lake Land Board testimony

When Mr. Neibergs did his conservation easement appraisal (oops, excuse me, public recreation use easement) appraisal for Beaver Skyles, he did some heavy-duty work compensating for the market gyrations we've seen, a fine job of working the values back and forth over time.

In my view, his work is better than Mr. Heine's appraisal for Dollar Lake 685.

The issue here is whether the matter of access is properly accounted for.

I direct your attention to the picture map of the Dollar Lake parcel on Page 3 of 1112-5B. You will notice a roadway coming right up to the property line on the south. That road belongs to the guy who nominated this parcel for sale, as Governor Schweitzer should be able to personally attest, as well as any of you who may have visited the gentleman's home.

The Dollar Lake appraiser treated Parcel 685 as "remote." The fact is, ten seconds after the bulldozer starts moving, for all intents and purposes of the new owner, this parcel will have full legal access through the front door.

I have read other Land Board proceedings where you have staunchly defended valuation of isolated land bank parcels as having full access.

I am therefore struck by a $5,000 per acre price when Dollar Lake shares a property line with land Mr. Heine notes was last sold for over $18,000 per acre, and which Mr. Neibergs' walk-across calculated at $25,000 current value, and is furthermore 30 feet or less from the primary access road to a 12,000 square foot plus multimillion-dollar estate, that will become an integral part of that estate.

Anyone with eyes can see this is some of Common Schools' most valuable land, and we can only sell it once. Why are we giving this away at such a screaming bargain?

DAVE SKINNER
BOX 1486
WHITEFISH MT
59937

NORTH SWAN 1/12 GB

I'm here to suggest that the Nature Conservancy should sell these 14,000 acres to DNRC for a dollar, and I'd like to explain.
The Montana Legacy Project had three phases. Phase 1 was priced at $1,153 per acre; Phase 2, $2,250 that went to the Forest Service, and the final Phase 3, including this North Swan land, changed hands in November 2010, averaging $1,428 per acre.
North Swan has three easements on it. The first was implemented before the Montana Legacy Project and covered 7,200 acres in the Goat and Squeezer creeks. Land Board minutes show Jeff Hagener explaining this was a $27 to 30 million project. I could find no document that showed exactly who paid for what.
What I do know is, BPA ratepayers and US taxpayers paid the lions' share, and they got ripped off.
I also know for sure that Plum Creek was paid $7,900,000 for a conservation easement on 6,083 acres, an average per acre of $1,298, which Joe Taxpayer forked over through the Forest Legacy program.
Then, in 2010 Plum Creek sold the remainder rights to TNC for $1,428 as part of MLP Phase 3. PCL therefore realized about $2,726 per acre, pretty darn good, considering that ground is now appraised as having $400 bucks an acre value as long-term timber ground.
The other two CE's are interesting as well. Here you have acreage going for $1,428 in MLP phase 3, including all fee title rights.
TNC turns around and nominates it for land banking or other disposal of associated rights to the state. The appraisal by Mr. Wheeler's company comes in at $21.79 million, or $2,331 per acre for "full appraised fee purchase value" – a nice paper profit for TNC of $903 per acre.
Mr. Wheeler then valued the development rights extinguished by the proposed CE at $18.26 million, or $1,952 per acre.
Then FWP gets BPA ratepayer money, $ 14.8 million, to be applied to a "bargain sale" of development rights, averaging $1,582 per acre over 9,350 acres.
In other words, it sure looks like on most of this ground, TNC has already gotten more for the conservation easements than it paid for unencumbered fee title.
I thought TNC was a nonprofit corporation? Wow, was I wrong.
Now TNC wants another $400 per acre of pure profit, when they should be paying the state to allow them out from under the management costs and tax liability DNRC is faced with. As Mr. Wheeler put it in his new appraisal on page 28, the "potential for future logging within 15 to 20 years" and on page 31: "estimates for commercial timber harvest remain at 15 to 20 years into the future" or, on page 38, "the subject property does not have existing merchantable timber located onsite." 14 thousand acres! That "does not have merchantable timber onsite?" Yep, it's mowed off!
Right now the inventory is only 7.8 million feet of merch timber, 533 feet or basically a tree and a half, per acre. It wouldn't surprise me a bit if every stick of that merch wood is in the SMZs and therefore taboo under the so-called Multi-Resource Management Plan.
Paying TNC 400 bucks an acre to take this albatross off their hands is plain nuts. They should pay DNRC to take it. I suggest you offer TNC a dollar and see what they say.

After all, it's a buyer's market these days.

Governor Brian Schweitzer
Attorney General Steve Bullock
Secretary of State Linda McCulloch
Auditor Monica Lindeen
Superintendent of Public Instruction Denise Juneau

Office of the Governor
Montana State Capitol Bldg.
P.O. Box 200801
Helena MT 59620-0801

November 5, 2012

To the Montana Land Board,

At your November and December meetings, you will consider several state trust land transactions proposed by the City of Whitefish, Whitefish Legacy Partners and Michael Goguen. Together they will create a legacy of permanent public access, add recreational trails and amenities, and conserve key viewsheds and watersheds, while putting more than 10 million much-needed dollars into the coffers of Montana's schools and universities.

We wholeheartedly support the following components of the Whitefish Legacy Lands Initiative:

- Permanent Recreation Use Easement in Beaver, Skyles and Lion Mountain areas. This easement will ensure that the public will be able to enjoy these lands forever; will continue to generate money for schools through active forest management; will provide for more miles of recreational trails connecting Murray, Woods, Dollar, Beaver and Little Beaver Lakes; and will guarantee undeveloped open lands forever.

- Beaver Land Bank. With a two home-site development restriction and a dedicated 2 mile public trail as an addition to the Whitefish Trail, this Land Banking project will ensure that Whitefish's scenic vistas will persist and will allow the state to buy higher income producing lands for trust beneficiaries.

- Whitefish Trail Recreation Licenses in Swift-Lazy Creek, Lupfer, and Spencer Mountain areas will ensure that existing recreational trail system opportunities that feed the local economy will grow while generating a steady stream of revenue for the trust beneficiaries.

Countless hours of public meetings, fundraising events, work sessions, trail building, multi-agency support, public and private partnerships, many volunteers, and nine years of Land Board support, have turned an idea into a plan, into an on-the-ground reality with 22 miles of world-class trails known as the "Whitefish Trail", and millions of dollars in revenue for the school trust with more to come.

Please support the City of Whitefish and Whitefish Legacy Partners' continued work to secure permanent public access to these important open forest lands, to generate revenue for Montana's school trust, and to build and grow the recreation amenities that are the backbone of the local and state tourism economies.

We appreciate your consideration and continued support.

Last Name	First Name	Last Name	First Name	Last Name	First Name
Adams	Lori	Clayton	Eliza	Grady	Laurel
Alexander	Scott	Cleary	Maureen	Gratch	Alan
Anderson	John	Coggins	Eleanor	Gregory	Alan
Anderson	Sandra	Coggins	Manita	Grove	Phil
Arnold	Joe	Collins	Ian	Gunderson	Greg
Aronson	Bruce	Corette	Kim	Gunderson	Catherine
Aronson	Joni	Costain	Pete	Gwiazdon	Mike
Asebrook	Jen	Coulter	Sheila	Gwiazdon	Courtney
Barth	Justin	Cozad	Karl	Gwiazdon	Courtney
Belski	Carla	Crittenden	Karen	Hadden	David
Belski	Andy	Croskrey	Jen	Hammer	Keith
Binder	Konrad	Croskrey	Jerry	Hammond	Laurin
Blackler	Edd	Curtiss	Heather	Haney	Chuck
Blanden	Marc	DeHerrera	Jim	Hannigan	Bonnie
Bodman	Erin	DeHerrera	Michaelan	Hansen	Scott
Bodman	Noah	Dettmann	Jim	Hansen	Montana
Boody	Bruce	Dodrill	Dave	Hanson	Denise
Boyer	Gretchen	Elliot	David	Harris	Alex
Boyson	Aaron	Feddey	Kim	Hart	Nancy
Brant	Scott	Fischlowitz	David	Hawley	Erin
Brant	Barbara	Fitzgerald	Rhonda	Headwaters Montana	
Brant	Isan	Flowers	Mayre	Hildner	Richard
Bridges	Mark	Foster	Shane	Hooks	Amy
Brunk	Ronald	Fox-Walburn	JJ	Hope	Tyler
Brunk	Janet	Friedman	Marshall	Horne	Bob
Buckskin	Elaine	Friedman	Kathryn	How	Susan
Burns	Kellie	Friel	Ryan	Howell	Heath
Butler	Cricket	Furlong	Nicholas	Hudal	Manda
Cannava	James	Gentry	Kirk	Huff	Mary
Carpenter	Jade	Gewre	Pam	Hunt	Leslie
Carstens	Sue	Gilman	Jeff	Hunt	Will
Cavin	Doreen	Good	Tim	Hunt	Lesley
Cavin	Benton	Good	Ali	Hunt	Derreck
Citizens for a Better Flathead		Goodwin	Nancy	Hunt	Martha

Last Name	First Name	Last Name	First Name	Last Name	First Name
Hurley	Cody	Neff	Ruth	Secher	Allen
Hyatt	Chris	Nelson	Marilyn	Segil	Melissa
Ingrahan	Vern	Nielsen	Carol	Sego	Fred
Jamison	Cate	Nitschke	Tiffany	Shorley	Karen
Jolly	Chris	Noftsinger	Michelle	Sibson	Jonnette
Jones	Lisa	Oakins	Angela	Slagle	Lisa
Jones	Leslie	O'Brien	Dan	Smeltzer	Matthew
Jopek	Mike	O'Brien	Kelly	Snellen	Steve
Jopek	Alex	O'Brien	Dan	Stafsholt	Peggy
Kahle	Bill	O'Neil	Bob	Stark	Olivia
Koch	Paula	O'Neil	Marcia	Stearns	Chuck
Koestner	Rudy	Onsowitz	Judy	Steiner	Lisa
Kramer	Jean	Opatz	Laurie	Steinkraus	Robin
Kurth	Marti	Palmer	Nick	Strainer	Margaret
LaChance	Cindy	Pappenfus	Jessie	Stratton	Dawn
Leary	John	Patchell	Rebecca	Sturges	Kate
Lewis	Barbara	Pate	Sheena	Swan View Coalition	
Lewis	Phil	Person	Mary	Sweeney	Francis
Lieser	Ed	Peterson	Carol	Taylor	Donna
Lull	Steve	Phelps	John	Taylor	Diane
Macy	Barbara	Pierce	Debbie	Taylor	Janis
Mahnke	Jim	Powers	Pamela	Taylor	Diane
Marcum	Heidi	Prather	Craig	Thompson	Steve
Marx	David	Putlin	Jodi	Thompson	Derreck
Maul	Lizbeth	Quinn	Caeli	Thompson	Jason
Maurice	Tara	Rafkin	Dru	Ulizia	Todd
McCann	Janice	Reeves	Karen	Ulizia	Rebecca
McCann	Paul	Ripma-Ryan	Julie	Valov	Natalie
McCarthy	Mary	Robertson	Paul	Van Everen	Eleanor
McClellan	Mike	Root	Sue	Van Everen	Brooks
McCrone	Pete	Rose	Leslie	Van Everen	Heidi
McDonald	Sandra	Ruta	Erica	Van Everen	Mark
McGrew	Ed	Sabin	Kirsten	Veseth	Tony
McGuire	Ashley	Sabin	Reid	Watkins	Kyle
McMahon	Kate	Sabin	Reid	Weinberg	Dan
McNamee	Peter	Sabin	Erin	White	Jordan
Metzmaker	Pete	Sands	Kim	Whithed	Matt
Miller	Chris	Schevnemann	Randy	Wigley	Chris
Millette	Nancy	Schmidt	Joan	Williams	Rick
Mitchell	Phil	Schnee	Susan	Wise	Doug
Moore	Ernie	Schott	Brian	Witbrod	Mary
Muhlfeld	John	Schott	Lyndsay	Witt	John
Murphy	Tim	Schwaderer	Jessica	Witt	Susan
Neff	Ruth	Schwickert	Randy	Wolf	Trisha
Neff	Kathryn	Schwickert	Randy	Wolfe	Margaret
Neff	Samuel	Scruggs	Patti	Yates	Melissa

Gmail by Google

Heidi Van Everen <whitefishlegacy@gmail.com>

(no subject)

1 message

jim dettmann <jimdettmann@hotmail.com> Sat, Nov 17, 2012 at 12:34 PM
To: info@whitefishlegacy.org

Office of the Governor
Montana State Capitol Bldg.
P.O. Box 200801
Helena MT 59620-0801
November 5, 2012
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We appreciate your consideration and continued support.

Thank you,

Jim Dettmann

128 Park Avenue

Kalispell, MT 59901

jimdettmann@hotmail.com