AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
May 16, 2022, at 9:00 a.m.
State Capitol, Room 303
Helena, MT

ACTION ITEMS

0522-1  Timber Sales
A. East of Emerald  APPROVED 5-0
Benefits: Pine Hills School
Location: Missoula County
B. Fry Bear  APPROVED 5-0
Benefits: Common Schools
Location: Beaverhead County
C. Greyson Creek II  APPROVED 5-0
Benefits: Common Schools
Location: Broadwater County
D. Klinger  APPROVED 5-0
Benefits: Common Schools
Location: Lincoln County
E. McCabe Meadows  APPROVED 5-0
Benefits: Commons Schools, Pine Hills School, Public Buildings, MSU 2nd Grant
Location: Flathead County

0522-2  Agriculture and Grazing Leases: Competitive Bid Hearings  APPROVED 5-0
Lease No. 2438 – Capp Land and Cattle Co. Lessee/Ryan Shaffer (Bidder)
Benefits: Common Schools
Location: Powder River County

0522-3  Cabin and Home Site Sales: Final Approval for Sale  APPROVED 4-1
A. Flathead County
Benefits: Common Schools
Location: Flathead County
COMMISSIONER DOWNING
OPPOSED

B. Gallatin County
Benefits: Common Schools
Location: Gallatin County

0522-4  Cabin and Home Site Sales: Set Minimum Bid for Sale  APPROVED 4-1
A. Chouteau County
Benefits: Common Schools
Location: Chouteau County
COMMISSIONER DOWNING
OPPOSED

B. Flathead County
Benefits: Common Schools
Location: Flathead County

0522-5  Easements – Standard Grants  APPROVED 5-0
Benefits: Common Schools and Public Land Trust – Navigable Rivers
Location: Fergus, Ravalli, Stillwater, and Valley Counties.

0522-6  Easements – City of Billings  APPROVED 5-0
Benefits: Common Schools
Location: Yellowstone County

PUBLIC COMMENT

Page 1 of 150

Complete agenda item information can be found on the DNRC website at http://dnrc.mt.gov/LandBoard
0522-1
TIMBER SALES:
A. East of Emerald
B. Fry Bear
C. Greyson Creek II
D. Klinger
E. McCabe Meadows
Land Board Agenda Item  
May 16, 2022

0522-1A Timber Sale: East of Emerald

<table>
<thead>
<tr>
<th>Location:</th>
<th>Missoula County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sections 28 &amp; 34 T16N R14W</td>
</tr>
<tr>
<td>Trust Benefits:</td>
<td>Pine Hills School</td>
</tr>
<tr>
<td>Trust Revenue:</td>
<td>$218,420 (estimated minimum bid)</td>
</tr>
</tbody>
</table>

**Item Summary**

**Location:** The East of Emerald Timber Sale is located approximately 5½ miles southeast of Seeley Lake, Montana in the Woodworth area of Missoula County.

**Size and Scope:** The sale includes 9 harvest units (465 acres) of tractor logging.

**Volume:** The estimated harvest volume is 13,359 tons (2.0 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is $16.35 per ton, which would generate approximately $218,420 for the Pine Hills School Trust and approximately $48,092 in Forest Improvement fees.

**Prescription:** The East of Emerald Timber Sale would utilize individual tree selection and salvage harvest prescriptions designed to reduce existing insect and disease issues, promote forest health, and progress the stand towards the Desired Future Condition.

**Road Construction/Maintenance:** In conjunction with this sale, Department of Natural Resources and Conservation (DNRC) is proposing 1.02 miles of new permanent road construction, 0.14 miles of road abandonment, and 7.91 miles of road maintenance.

**Access:** Access is obtained through existing Missoula County, United States Forest Service, and DNRC roads.

**Public Comments:** A total of six public comments were received. Industry representatives from both Weyerhaeuser and F.H. Stoltze Land & Lumber Co. were in full support of the project. Blackfeet Nation requested to be notified if anything of interest was found in the project area and Northern Cheyenne Tribe requested a Class I or III report. DNRC staff archaeologist conducted a Class I review, which did not identify any cultural resources in the project area. Big Sky Lake Homeowners Association commented in support of the harvest plans, but requested some updates to the final harvest map, which the DNRC incorporated. Lastly, an adjacent landowner was concerned about the use of a private road, but DNRC clarified that the road will not be used.

**DNRC Recommendation**
The DNRC recommends the Land Board direct DNRC to sell the East of Emerald Timber Sale.
Name: East of Emerald Projects
Legal: T16N R14W Sec 28 & 34
### 0522-1B Timber Sale: Fry Bear

<table>
<thead>
<tr>
<th>Location:</th>
<th>Beaverhead County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sections 21, 22, 26, 27, 28 &amp; 29 T10S R15W</td>
</tr>
<tr>
<td>Trust Benefits:</td>
<td>Common Schools</td>
</tr>
<tr>
<td>Trust Revenue:</td>
<td>$37,708 (estimated, minimum bid)</td>
</tr>
</tbody>
</table>

#### Item Summary

**Location:** The Fry Bear Timber Sale is located approximately 40 miles southwest of Dillon, Montana in Beaverhead County.

**Size and Scope:** The sale includes 15 harvest units (151 acres) of tractor logging.

**Volume:** The estimated harvest volume is 8,006 tons (1.2 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is $4.71 per ton, which would generate approximately $37,708 for the Common Schools Trust and approximately $10,888 in Forest Improvement fees.

**Prescription:** The timber sale would utilize clearcut, seed tree and shelterwood harvest prescriptions designed to remove insect and disease infected trees, enhance forest resilience, and improve health and vigor of residual forest stands.

**Road Construction/Maintenance:** In conjunction with the Fry Bear Timber Sale, Department of Natural Resources and Conservation (DNRC) is proposing 1.3 miles of new temporary road construction and 3.2 miles of road maintenance.

**Access:** Access to the Fry Bear Timber Sale is obtained through legal agreements with United States Forest Service, Bureau of Land Management, and Bar TT Ranch.

**Public Comments:** One public comment was received from the Northern Cheyenne Tribe requesting a copy of the final cultural resource survey report and notification of any new ground disturbance. The DNRC staff archaeologist conducted a Class I review and did not identify any cultural resources.

**DNRC Recommendation**
The DNRC recommends the Land Board direct DNRC to sell the Fry Bear Timber Sale.
Land Board Agenda Item
May 16, 2022

0522-1C Timber Sale: Greyson Creek II

<table>
<thead>
<tr>
<th>Location:</th>
<th>Broadwater County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Section 16, Township 6N Range 4E</td>
</tr>
<tr>
<td>Trust Benefits:</td>
<td>Common Schools</td>
</tr>
<tr>
<td>Trust Revenue:</td>
<td>$67,417 (estimated, minimum bid)</td>
</tr>
</tbody>
</table>

**Item Summary**

**Location:** The timber sale is located approximately 14 miles east of Townsend, Montana.

**Size and Scope:** The sale includes 3 harvest units (135 acres) of tractor logging (79 acres) and excaline logging (56 acres).

**Volume:** The estimated harvest volume is 7,008 tons (828 MBF) of Douglas-fir Sawlogs.

**Estimated Return:** The minimum bid is $9.62 per ton, which would generate approximately $67,417 for the Common Schools Trust and approximately $7,569 in Forest Improvement fees.

**Prescription:** The timber sale would utilize a seed tree harvest prescription designed to encourage stand regeneration and reduce fuel loading.

**Road Construction/Maintenance:** The Department of Natural Resource and Conservation (DNRC) is proposing 0.2 miles of new permanent road construction, 0.5 miles of temporary road construction, 0.5 miles of road reclamation, and 26 miles of road maintenance on existing road.

**Access:** Access is obtained through legal agreement with 2 neighboring landowners and United States Forest Service.

**Public Comments:** Four public comments were received during the scoping period. Montana Fish, Wildlife & Parks expressed concerns about decreased timber cover on elk, for which DNRC analyzed and developed mitigations. Northern Cheyenne Tribe requested a Class I or III archaeological report and was provided with a Class I report, which did not indicate any known cultural resources. The section’s grazing lessees expressed concerns about their grazing operation, roads, and noxious weeds. They were informed of DNRC’s road and weed maintenance requirements and that grazing operations would be accommodated when possible. Lastly, a near-by property owner expressed various environmental and personal concerns with the proposed harvest and haul route. DNRC employees met with the property owner on the site of the proposed harvest, conducted analyses, developed mitigations, and revised the haul route to address the property owner’s concerns. A draft Amended Environmental Assessment (EA) was released for 14-day public comment on 2/8/2022, on which the same property owner and a RY Timber representative commented. The final Amended EA, which addresses these comments, was published on 4/25/2022.

**DNRC Recommendation:**
The DNRC recommends the Land Board direct DNRC to sell the Greyson Creek II Timber Sale.
Land Board Agenda Item  
May 16, 2022

0522-1D Timber Sale: Klinger

| Location: | Lincoln County |
| Trust Benefits: | Common Schools |
| Trust Revenue: | $214,830 (estimated, minimum bid) |

**Item Summary**

**Location:** The Klinger Timber Sale is located approximately 9 miles south of Libby, Montana in Lincoln County.

**Size and Scope:** The sale includes 5 harvest units (319 acres) of skyline (279 acres), tractor (40 acres) and optional excaline logging.

**Volume:** The estimated harvest volume is 14,078 tons (2.1 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is $15.26 per ton, which would generate approximately $214,830 for the Common School Trust and approximately $61,802 in Forest Improvement fees.

**Prescription:** The Klinger Timber Sale would utilize a seed tree harvest prescription designed to capture the value of over-stocked timber, while reducing the fuel load to promote fire resilience.

**Road Construction/Maintenance:** In conjunction with the Klinger Timber Sale, Department of Natural Resources and Conservation (DNRC) is proposing 1.2 miles of new permanent road construction, 0.1 miles of road reconstruction, and 6 miles of road maintenance.

**Access:** Access is obtained through existing easements.

**Public Comments:** A total of 4 public comments were received. Two comments were received from Weyerhaeuser and F.H. Stoltze Land & Lumber, both in support of the timber sale. One comment from Lincoln County Weed Management indicated the presence of Ventanata, an invasive grass, on roads near the project area. DNRC consulted with this individual to develop specific herbicide treatments to mitigate the spread of Ventenata. An adjacent landowner expressed concerns about the spread of noxious weeds and was notified of the DNRC’s plans to mitigate the spread of noxious weeds, as required in DNRC’s timber sale contracts.

**DNRC Recommendation**
The DNRC recommends the Land Board direct DNRC to sell the Klinger Timber Sale.
Project Name: Klinger Timber Sale
Project Location: Approx. 8 Miles S. of Libby, MT
Section: 36
Township: 29N
Range: 31W
County: Lincoln
0522-1E Timber Sale: McCabe Meadow

| Location: | Flathead County  
| Sections 17, 18, 19, 20, 21, 28-30, 32, 33 T33N R23W &  
| Sections 13, 24 T33N R24W  
| Trust Benefits: | Common Schools (75%), Pine Hills School (5%),  
| Public Buildings (5%), MSU 2nd Grant (15%)  
| Trust Revenue: | $994,556 (estimated, minimum bid) |

**Item Summary**

**Location:** The McCabe Meadow Timber Sale is located approximately 4 miles north of Olney, Montana in Flathead County.

**Size and Scope:** The sale includes 20 harvest units (742 acres) of tractor logging.

**Volume:** The estimated harvest volume is 31,969 tons (5.0 MMBF) of sawlogs.

**Estimated Return:** The minimum bid is $31.11 per ton, which would generate approximately $994,556 for the Common Schools, State Industrial Schools, Public Buildings and MSU 2nd Grant Trusts and approximately $148,336 in Forest Improvement fees.

**Prescription:** The McCabe Meadows Timber Sale would utilize various harvest prescriptions, including clearcut with reserves, seed tree with reserves, overstory removal, improvement cut, and commercial thinning. These harvest prescriptions are designed to regenerate stands with vigorous seral species, create a mosaic of age classes and desired future conditions and improve growth of existing trees.

**Road Construction/Maintenance:** In conjunction with the McCabe Meadows Timber Sale, Department of Natural Resources and Conservation (DNRC) is proposing 0.7 miles of new temporary road construction, 2.4 miles of road reconstruction, and 21.9 miles of road maintenance.

**Access:** Access is obtained through State-owned Upper Whitefish Road, McCabe Road, “Unit 9” Road, and Ewing Road.

**Public Comments:** No public comments related to this timber sale were received.

**DNRC Recommendation**
The DNRC recommends the Land Board direct DNRC to sell the McCabe Meadow Timber Sale.
Item Summary
On April 12, 2022, the Department of Natural Resources and Conservation (DNRC) held Competitive Bid Hearings for State of Montana Agricultural and Grazing Lease No. 2438, which is being renewed. If the Lessee wishes to renew the lease for another term, he or she must submit an application. If other persons inquire about the availability of a lease, their names and addresses are noted in the file and they are sent applications and bid forms at the time of lease renewal. If a Lessee exercises the preference right but believes that the bid amount is excessive, he or she may request a hearing before the Director. The purpose of the hearing is twofold: 1) to determine the best-qualified Lessee for the upcoming lease term; and 2) to ascertain the appropriate rental rate for that term.

DNRC Recommendation
Based on information and testimony at the hearings, the Deputy Director recommends the following:

Lease #2438 – The DNRC recommends the lease be issued to the bidder at $65.00/AUM.
2022 AGRICULTURE AND GRAZING COMPETITIVE BID HEARINGS

Findings and Recommendation to the Montana Board of Land Commissioners
For Grazing Lease No. 2438

Kerry Davant, Deputy Director
Montana Department of Natural Resources and Conservation
May 16, 2022
# Table of Contents

I. Introduction: Agriculture and Grazing Competitive Bid Hearings Legal Overview and Background

   A. Competitive Bid Hearing Process Generally ......................................................... 3
   B. Criteria for Selecting the Most Appropriate Lessee .............................................. 4
   C. Criteria for Evaluating the Lease Rate ................................................................. 5
   D. 2022 Competitive Bid Hearings Overview .......................................................... 7

II. Contested Bid Hearing for Lease No. 2438

   A. Findings ............................................................................................................... 10
   B. Recommendation ............................................................................................... 14
I. Introduction: Agriculture and Grazing Competitive Bid Hearings
Legal Overview and Background

A. Competitive Bid Hearing Process Generally

Pursuant to MCA § 77-6-205(2) and ARM 36.25.117, if a lessee exercises its preference right but believes the high bid amount is excessive, the lessee may request a hearing. The purpose of the hearing is: 1) to determine the best-qualified lessee for the upcoming lease term; and 2) to ascertain the appropriate rental rate for that term. In accordance with the Montana Constitution, its statutes, and regulations, as well as the policy of the Montana Board of Land Commissioners (Land Board), the Montana Department of Natural Resources and Conservation (DNRC) offers informal competitive bid hearings for existing lessees who would like to contest a high bid in renewing a lease of state trust agriculture and grazing land. Mont. Const. Art. X, § 4; MCA § 77-1-209, -6-205, & -212; ARM 36.25.117. The role of the DNRC in conducting these competitive bid hearings is for the Director (or their designee, in this case the Deputy Director) to make a recommendation to the Land Board as to the most suitable lease rate as well as lessee for the state trust land in question. ARM 36.25.117(9)(c). These hearings are conducted outside the requirements of the Montana Administrative Procedures Act (MAPA), in accordance with ARM 36.25.117(9)(c), which states that, “The hearing is not subject to MAPA and the board may accept or reject the director's recommendation.”

The Land Board must evaluate the Deputy Director’s recommendation based on its role as a fiduciary for the state school trust lands and seek to find which lessee and what lease rate will be in the state's best interests. MCA § 77-1-202. The current policy of the Board authorizes the Deputy Director to hold the competitive bid hearings; hear the evidence; and make recommendations to the Land Board. ARM 36.25.117. The rental rate and lessee must be chosen
based upon the evidence presented at the hearing. The Deputy Director in making a recommendation, and the Land Board in making its decision, must avoid consideration of information provided outside the hearing.

The following will detail the review criteria established in statute, regulation, and case law to be used when determining (1) the most appropriate lessee and (2) the appropriate lease rate for the new term of the lease.

**B. Criteria for Selecting the Most Appropriate Lessee**

To ensure the lessee selected is the one most advantageous to the trust beneficiary, both the lessee and high bidder provide information at the hearing to address the following to nine criteria set out within ARM 36.25.117(9)(b):

1) Whether they have an intended grazing or cropland management plan for the new term of the lease;
2) What their experience is associated with the classified use of the land;
3) Any other non-state lands that are fenced and managed in common with the state land;
4) Any intended grazing or cropland improvements that will benefit the health and productivity of the state lands;
5) The details of their weed management plan;
6) Their management goals and objectives and monitoring procedures;
7) What the method or route used to access the state land;
8) Any other information the director deems necessary to provide a recommendation to the board; and,
9) The incorporation of all or part of this information as terms and conditions in the new lease agreement.

In choosing the appropriate lessee, the Land Board is not strictly bound by the existing lessee’s preference right to meet the high bid and maintain control of the lease. An absolute statutory preference right to renew state trust land agricultural and grazing leases was declared unconstitutional by Judge Jeffrey Sherlock in *Broadbent v. State of Montana, et al.* because it impermissibly interfered with the constitutional power of the Land Board, under Art. X, Section 4 of the Montana Constitution, to choose its lessees. First Mont. Judic. Dist. Ct., Cause No.
The Land Board, in response to Judge Sherlock's ruling, amended ARM 36.25.117 to exercise its constitutional prerogative to grant a qualified preference right to incumbent lessees in good standing. Through this rule, the Land Board expressed a general proclivity towards incumbent lessees provided they have not committed illegal subleasing and have no history of lease violations. However, in all instances, the Land Board reserves the right to choose the best-qualified lessee.

C. Criteria for Evaluating the Lease Rate

In exercising its discretion, the Land Board may authorize a lower bid rental rate if it finds the contesting lessee establishes the bid is not in the best interest of the state because:

1) it is above community standards for a lease of the land;
2) would cause damage to the tract; or
3) would impair its long-term productivity.

Mont. Code Ann. § 77-6-205(2); State ex rel. Thompson v. Babcock, 147 Mont. 46, 52–53, 409 P.2d 808, 811 (1966) (“In deciding what the full market value for a lease is, the usual ‘willing buyer-willing seller’ test has little application. A more appropriate test is the value of a similar lease in the particular community.”). If the Land Board chooses to reduce the bid, it “shall set forth its findings and conclusions in writing and inform the lessee and competitive bidder of the reduction. It is the duty of the Land Board to secure the best lessees possible, so that the state may receive the maximum return possible with the least injury occurring to the land”. Id.

The Land Board has previously recognized full market value encompasses the concept of sustained yield. MCA § 77-6-101. In Jerke v. State Dept. of Lands, the Montana Supreme Court held that a Grazing District which was not a lessee of a state grazing lease could not exercise a preference right. 182 Mont. 294, at 296-297, 597 P.2d 49 at 50-51 (1979). The Court described the rationale of the preference right to meet a high bid as follows:
Sustained yield is the policy which favors the long-term [sic] productivity of the land over the short-term [sic] return of income. *State ex rel. Thompson v. Babcock*, supra. The preference right seeks to further this policy by inducing the State's lessees to follow good agricultural practices and make improvements on the land. This is accomplished by guaranteeing that the lessees will not lose the benefits of their endeavors by being outbid when their leases terminate. They are preferred and may renew their leases by meeting the highest bid submitted.

*Id.* (internal citation omitted).

Stability of land tenure encourages existing lessees to make greater improvements in the land, knowing they will likely be able to utilize these improvements in the future, and that stability of tenure allows lessees to operate more efficiently and with greater care and stewardship towards the land. The duty to maximize revenue return to the trust estate from the trust property is always subject to the duty to preserve the financial productivity of the trust lands for future continued use and income. MCA § 77-1-202(1)(a)-(b); see also *Oklahoma Education Association v. Nigh*, 642 P.2d 230 at 238 (1982). No applicant for a grazing lease can compel the Land Board to grant it an interest in state trust lands, especially where the concept of sustained yield is ignored. See, *Skillman v. Department of State Lands*, 188 Mont. 383, 613 P.2d 1389 (1980); *Gibson v. Stewart*, 50 Mont. 404, 147 P. 276 (1915) (Whether a tract of state land shall be leased is a question addressed to the sole discretion of the Land Board.); MCA §77-6-206 (“[T]he board may withdraw any agricultural or grazing land from further leasing for such period as the board determines to be in the best interest of the state”).

The Montana Supreme Court recognizes an excessive rental rate may economically compel a Lessee to mismanage a lease, for example, by grazing all the available forage, reducing applications of costly fertilizer and/or herbicide, or foregoing summer fallow treatments or pasture rest rotations. *State ex rel. Thompson v. Babcock*, 147 Mont. 46, 52–53, 409 P.2d 808, 811 (1966). When state lands are over-grazed or farmed with minimal input costs, they become degraded with noxious weeds, poor
soil conditions, and less forage or crops, all of which decrease future income for trust beneficiaries. In extreme cases, the productivity of the land may be permanently damaged. It is in the best interests of the State to set a rental rate which balances revenue generation with sustained yield. In this "balancing act," the Land Board must maximize long-term income by allowing lessees a sufficient monetary incentive to exercise wise range management and agricultural practices. If the rate is too low, the trust beneficiary will not receive full market value for its lands. If the rate is too high, the Lessee will be induced to over-graze the tract, or reduce inputs such as herbicides, and long-term trust income will inevitably suffer.

As a result of the competitive bid hearing process, the Director recommends the rental rate for the next term of the grazing or agricultural lease. The economic viability of these leases fluctuates according to prevailing weather conditions and commodity prices; both of which can vary wildly across Montana and for the relevant market. Despite these fluctuations, the grazing rental charged by the Land Board must be paid by a lessee regardless if any forage upon the lease is utilized. By contrast, private lessors generally do not collect rentals when they no longer have forage available for lease. Consequently, setting an appropriate rental rate, to sustain the long-term viability of "school trust" leases and maximize long-term income, is simply not as easy as accepting the highest bid. If it were, there would be no need for a hearing on the subject.

D. 2022 Competitive Bid Hearings Overview

In 2022, the Director granted one request for a competitive bid hearing. The hearing was conducted on April 12, 2022, at the headquarters of the DNRC, located at 1539 Eleventh Avenue in Helena, Montana. The hearings were electronically recorded and all witnesses testified under oath. The hearings were otherwise conducted in an informal manner, meaning the proceedings were conversational, with set times for the witnesses to present information, ask and answer
questions, and offer any closing thoughts. The objective was to give each party the opportunity to be fully heard in a manner that allowed for evaluation of the criteria necessary for the Land Board to reach a decision. The Montana Rules of Evidence were not strictly applied, but irrelevant, immaterial, or incompetent information was excluded. The lessee and high bidder were both given an opportunity to review the relevant field evaluation form, the renewal application, the competitive bids and applications – including the relevant high bid, the correspondence, the previous lease rental, the DNRC County Competitive Bid Average, and information from the Montana Agricultural Statistics Statewide 2021 private grazing rate survey.

Present at the hearings were: the Lessee, Debra Capp on behalf of Capp Land & Cattle Co., the High Bidder, Ryan Schaffer and Bill D’Alton, Attorney on behalf of the High Bidder, The Director’s designee, DNRC Deputy Director Kerry Davant; Trust Lands Management Division Administrator Shawn Thomas; Agriculture and Grazing Management Bureau Chief Kelly Motichka; DNRC Attorney, Cameron Boster; Scott Aye, Miles City Unit Land Program Manager; Chris Pileski, Miles City Area Manager. Also present were several staffers for the Land Board who attended the hearings in an observational capacity.

In preparation for this hearing, both the lessees and the high bidders were notified of the time and place of the hearing and given copies of ARM 36.25.117. The Director accepted into the record the following information:

1. The DNRC’s County Competitive Grazing Lease Bid Average (and only active competitive bid) for Powder River County being $30.00/AUM.


3. Information and testimony provided by the lessees and high bidders.
The following bid hearing summaries provide an overview of the relevant testimony and evidence considered during the hearing to substantiate the findings and conclusions relied on in the Director’s recommendation to the Land Board.
II. Contested Bid Hearing for Lease No. 2438

County: Powder River  
Lessee: Capp Land & Cattle Co.  
High Bidder: Ryan Schaffer

Hearing Time:  Thursday, April 21, 2022 @ 1:30 p.m.  
Tracts: T5S R54E S16: All - 640 acres – Common School Grant  
Grazing Acres: 640  
AUM Rating: 154  
Unsuitable Acres: 0  
Ag (Crop) Acres: 0  

High Bid: $65.00/AUM  
Other Bids: None  
Previous Rental: Minimum

Prevalent Community Rental Information:  
State Land Powder River County Bid Average: $30.00/AUM  
MT Ag Statistics 2021 Private Lease Rate: $26.50/AUM

A. Findings

The Lessee, Debra Capp, appeared and testified via Zoom. The High Bidder, Ryan Schaffer and Attorney, Bill D’Alton, also appeared and testified via zoom.

Lease No. 2438 is located approximately 16 miles East of Broadus. It contains 640 acres of grazing land. The tract is accessible by Moore Cut Across Road, which bisects the tract.

Prior to the hearing, Lessee Capp provided a narrative report covering a portion of the nine criteria of ARM 36.25.117(9)(b). She discussed her acquisition of this lease as a result of her father, Bill Schaffer, dividing his ranch into three spin off corporations involving his children. Since acquisition of the lease, she has allowed her father to run his cattle on this lease. In the year 2020, the lease was subleased to Jay and Jami Jo Schroeder without an approved sublease agreement in place with DNRC.

Ms. Capp testified that she has always maintained a good grass base and has always been in control of the lease as far as who was grazing it and when the cattle should be taken off of the pasture. In 2016, she made her dad remove his cattle in
August due to the fact the grass was getting short.

Ms. Capp stated that she goes to the lease monthly for the months of June, July, August, and September to look at the pasture. She looks for overgrazing, checks the well, and checks for weeds that could be damaging. She testified that she has always been very diligent about not overgrazing. Ms. Capp testified her dad would take the cattle off in late October and trail them to his corrals and meadows to wean and sell calves.

Ms. Capp testified that in February, 2018, Ryan’s cattle were in the school section without her knowledge. Ms. Capp did not provide Ryan permission to move his cattle onto the school section. She claims that they were not being fed and were starving. In addition, Ms. Capp stated that during this time, approximately February 20th, Carter County took snowmobiles and heavy equipment and took the cattle that belonged to Alex, Ryan, and Nina Schaffer to her father’s corrals and meadow where Ryan’s part of the family owned.

Ms. Capp stated that when she went to the lease in June, 2018, there were 5 dead cows in a draw in the school section. She does not believe that Ryan manages his cattle right and that he overgrazes. She believes that they ruin the trees because they are hungry.

Ms. Capp testified that she does not like the way that Ryan, Alex, and Nina handle their cattle and overgraze. Ms. Capp testified that she believes that if Mr. Schaffer is awarded the lease, he will overgraze and not take care of the land.

Ms. Capp testified that Ryan, Alex, and Nina have been turned into county law enforcement because of the dying cattle. She talked to Sheriff Kittelmann about this.

Ms. Capp testified that when the spin off occurred, all were compensated for the improvements they had put into the land. She claims that Ryan and Alex Schaffer came on to the school section and took her solar panels, pump, and wiring from the well. She talked to Alex, and testified that Alex admitted to taking this property because Alex’s father had put money into it 20 years ago. They were compensated for this at the time of the spin off. She claims that they stole her well. She is not sure who took the corral panels. Alex told her it was Ryan, but that is hearsay.

Ms. Capp testified that she has been married for 48 years and lives in Perkins
County, South Dakota. They rotate pastures. After they brand, they move to another pasture north for summer pasture. They move cattle in October when they sell steer calves. They then move to fresh pastures for the winter. They buy lick, cow feed, hay, minerals, cow cake, and work hard to take care of their cattle.

Ms. Capp stated that in 2020, she allowed Jay and Jami Jo Schroder to bring in 37 head of cattle. They supplemented with minerals, cake, and lick. They did not overgraze. They were there from mid-June to mid-September. She charged them for two months because they were supplementing the cattle. They moved cattle out before any damage was done to the pasture.

Ms. Capp stated that in 2021 she paid for the lease and turned on the water in June so the wildlife would have water. She did not allow anyone to use the pasture. It was dry and there were grasshoppers.

She stated that she cannot bring cattle to Montana because of the laws of transporting across the state border. Therefore, she has been allowing relatives to use the land. She stated that she has remained in control at all times with the final say of when cattle are removed. She insists they check for prairie dogs and weeds. Weeds are sprayed with chemicals.

Ms. Capp stated that the bid was high and that it will encourage the bidder to overgraze. They will try to utilize their money and the pastures are not big enough for this. She submitted in writing what she has paid in the past for the lease. Overgrazing will lead to weeds. Ms. Capp also stated that the leased ground is fenced in common with her deeded property.

Mr. D’Alton cross examined Ms. Capp regarding her understanding of the family history involved in this dispute.

Ms. Capp stated that the well is located on the school section. Her plan for grazing in the future is to access it in June to see if there is grass growing. If there is no grass, the pasture will stay empty. If there is grass, she would ask for Jay and Jami Jo Schroder to graze the tract. She would commit to turn in and turn out dates as well as providing number and class of livestock on the lease. She has leased private land in the area for $6/acre.

Prior to the hearing, the High Bidder, Ryan Schaffer, also provided a narrative report covering the nine criteria of ARM 36.25.117(9)(b), as well as an overview of the family history, which the Deputy Director made part of the record.
Mr. Schaffer testified that he is trying to get more pasture for his cattle. He expressed that there have been invalid allegations in court and he has not been charged for starving his cattle. He is not aware of a report of any report to Sheriff Kittelmann. Mr. Schaffer testified that there is no current legal or criminal proceedings against him as far as how he is taking care of his cattle.

Mr. Schaffer explained the family history of the property split. The property has been in the family since the 1940s. His mother has property surrounding section 16 of this lease.

Mr. Schaffer stated that his plan for section 16 is not to graze very much. He feels it was overgrazed by the current lessee. He plans to rotate and use it for access to his private parcels.

Mr. Schaffer testified that he worked with his granddad years back in running cattle on this tract and helped build fence on the lease. It is an old fence that has been repaired over the years. He testified that he kept the upkeep of the pond up over time.

Mr. Schaffer stated that he is not aware of any improvements that the Capp’s have placed on the lease. There is a well and windmill that his granddad put there. Portable solar panels were put in. She acquired the lease in 2009 and he has receipts for the pump in 2014.

Mr. Schaffer testified he has never overgrazed. He stated that he will manage the lease in the manner that DNRC requires. He will comply with the AUM’s set for this lease.

He testified that there shouldn’t be a weed problem, but if there was a problem, he would manage them. He would spray them and monitor it as well.

He testified that the $65/AUM is not unreasonable. He feels that between $50 - $55/AUM is the going rate. This lease adjoins his private land so this will allow for him to not have to ship his cattle to pasture. He believes it is worth the extra $15 (from $50, stated above) to not have to trailer his cattle and be able to trail through the section.

Mr. Schaffer stated that his intended period of use would be June to July. He
testified that he would continue to pay the $65/AUM even in drought years where the lease is unusable. He agreed to provide documentation for turn in and turn out dates as well as class and number of livestock.

DNRC staff felt the existing lessee didn’t provide their intended management plan with stated goals and objectives. Ms. Capp cited prior years minimum grazing rates for the tract, rather than market evidence for grazing rates in the area, which doesn’t constitute evidence the high bid is excessive. Additionally, the current lessee intends to continue pasturing other people’s livestock on the lease. The high bidder brought forth information that he will be managing the lease locally, pasturing his own cattle. He testified of the tract’s importance to his future operations. He testified that cost savings on trailering cattle combined with what he would expect to pay for a private lease in the area justifies the bid rate that he submitted. There was no evidence placed into the record to indicate the going rate for the area is any less. The bidder will be pasturing his own cattle on the tract.

B. Recommendation
The Deputy Director recommends that the Board issue the next term of this lease to the high bidder, Ryan Schaffer, as the best-qualified Lessee, and that the Board set the rental rate for this lease at the competitive bid rate of $65.00/AUM.
CABIN AND HOME SITE SALES:
Final Approval for Sale

A. Flathead County

B. Gallatin County
Land Board Agenda Item
May 16, 2022

0522-3A Cabin and Home Sites: Final Approval for Sale

Location: Flathead County
Trust Benefits: Common Schools
Trust Revenue: $824,000

The Department of Natural Resources and Conservation (DNRC) is requesting final approval of two (2) cabin and home sites nominated for sale in Flathead County. These sales were nominated by the lessees in conjunction with the 2020-2021 Cabin and Home Site Sales Program.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Acres</th>
<th>Legal Description</th>
<th>Nominator</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>1142</td>
<td>1.318+</td>
<td>Lot 5, McGregor Lake, COS 19909 T26N-R25W, Section 16</td>
<td>Mark Rugland</td>
<td>Common Schools</td>
</tr>
<tr>
<td>1144</td>
<td>1.231+</td>
<td>Lot 21, McGregor Lake, COS 19909 T26N-R25W, Section 16</td>
<td>Chris Neater</td>
<td>Common Schools</td>
</tr>
</tbody>
</table>

The parcels are currently leased as cabin sites and produce an average income for residential leases statewide. The parcels will be sold with the access that is currently provided under their lease agreements and can be conveyed by DNRC.

**Background**

Preliminary Land Board approval was granted in April of 2020 (Approved 5-0), and the Land Board set the minimum bid for the land and the maximum value of compensation for the improvements at the appraised values in January of 2022 (Approved 4-1).

**Cultural/Paleontological Resources:**

A Class I level of cultural resource inventory was conducted for each of the proposed sales. Home sites typically contain numerous structures and the ground surfaces within most home sites have been disturbed over the course of many years of occupation and development. These sales will have no effect to state-owned heritage properties.

**Access/Recreational Use:**

As part of the cabin site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin site sale program that the public is permitted to use for recreation. Rather, the funds generated
by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.

**Economic Analysis:**
Short term – The average rates of return on these sale parcels are shown in Figure 1. The parcels will continue to receive these returns if they remain in state ownership. The income rates of return will likely grow smaller over the next 20 years, as average annual value appreciation is greater than the annual rent increase.

![Figure 1: Rates of Return at Current Appraised Values](image)

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Rate of Return</th>
<th>Sale No.</th>
<th>Rate of Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>1142</td>
<td>1.547%</td>
<td>1144</td>
<td>1.860%</td>
</tr>
</tbody>
</table>

Long term – The funds from the sale of these parcels would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.04% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher, ranging from 3.46% on acquisitions purchased within the last five years to 3.41% for lands acquired within the last ten years.

**Appraised Values of Land and Improvements:**
The appraisals were prepared by Montana General Certified Appraiser Elliott M. Clark, MAI, of Clark Real Estate Appraisal in Whitefish.

<table>
<thead>
<tr>
<th>Sale Nos.</th>
<th>Appraised Land Value</th>
<th>Appraised Improvements Value</th>
<th>Final Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1142</td>
<td>$400,000</td>
<td>$165,000</td>
<td>$400,000</td>
</tr>
<tr>
<td>1144</td>
<td>$424,000</td>
<td>$300,000</td>
<td>$424,000</td>
</tr>
</tbody>
</table>

**Sale Price**
The cabin sites were sold at public auction on March 31, 2022. There was one qualified bidder for each sale, one of which was the current lessee and the other was an outside bidder. On Sale No. 1142, the current lessee chose not to register for the auction and an outside bidder was the only auction participant. The sites sold for the final sale prices listed above.

**DNRC Recommendation**
The DRNC recommends the Land Board grant final approval for the sale of these cabin sites at the values shown above.
Land Board Agenda Item  
May 16, 2022

0522-3B  Cabin and Home Sites:  Final Approval for Sale

| Location: | Gallatin County |
| Trust Benefits: | Common Schools |
| Trust Revenue: | $475,000 |

The Department of Natural Resources and Conservation (DNRC) is requesting final approval of one (1) cabin and home site nominated for sale in Gallatin County. The sale was nominated by the lessee in conjunction with the 2020-2021 Cabin and Home Site Sales Program.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Acres</th>
<th>Legal Description</th>
<th>Nominator</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>1163</td>
<td>2.85+</td>
<td>Tract 1 COS 3074 T1N-R5E, Section 36</td>
<td>David &amp; Lu Anne Odt</td>
<td>Common Schools</td>
</tr>
</tbody>
</table>

The parcel is currently leased as a home site and produces an average income for residential leases statewide. The parcel will be sold with the access that is currently provided under their lease agreement and that can be conveyed by DNRC.

**Background**

Preliminary Land Board approval was granted in April of 2020 (Approved 5-0), and the Land Board set the minimum bid for the land and the maximum value of compensation for the improvements at the appraised values in February of 2022 (Approved 4-1).

**Cultural/Paleontological Resources:**

A Class I level of cultural resource inventory was conducted for the proposed sale. Home sites typically contain numerous structures and the ground surfaces within most home sites have been disturbed over the course of many years of occupation and development. This sale will have no effect to state-owned heritage properties.

**Access/Recreational Use:**

As part of the cabin and home site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin and home site sale program that the public is permitted to use for recreation. Rather, the funds generated by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.
Economic Analysis:
Short term – The average rate of return on this sale parcel is 0.995%. The parcel will continue to receive this return if it remains in state ownership. The income rate of return will likely grow smaller over the next 20 years, as average annual value appreciation is greater than the annual rent increase.

Long term – The funds from the sale of this parcel would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.04% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher, ranging from 3.46% on acquisitions purchased within the last five years to 3.41% for lands acquired within the last ten years.

Appraised Values of Land and Improvements:
The appraisal was prepared by Montana General Certified Appraisers Keith O'Reilly, MAI, and Dan Wheeler of Bridger Appraisals, Inc. in Bozeman.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Appraised Land Value</th>
<th>Appraised Improvements Value</th>
<th>Final Sale Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1163</td>
<td>$475,000</td>
<td>$445,000</td>
<td>$475,000</td>
</tr>
</tbody>
</table>

Sale Price
The home site was sold at public auction on April 28, 2022. There was one qualified bidder for the sale, which was the current lessee. The site sold for the final sale price listed above.

DNRC Recommendation
The DNRC recommends the Land Board grant final approval for the sale of this home site at the value shown above.
CABIN AND HOME SITE SALES:
Set Minimum Bid for Sale

A. Chouteau County
B. Flathead County
The Department of Natural Resources and Conservation (DNRC) is requesting to set minimum bid for one (1) home site nominated for sale in Chouteau County. This sale was nominated by the lessee in conjunction with the 2020-2021 Cabin and Home Site Sales Program.

The parcel is currently leased as a home site and produces below average income for residential leases statewide. The parcel will be sold with the access that is currently provided under their lease agreement and can be conveyed by DNRC.

**Background**
Preliminary Land Board approval was granted in April of 2020 (Approved 5-0).

**Cultural/Paleontological Resources:**
A Class I level of cultural resource inventory was conducted for the proposed sale. Home sites typically contain numerous structures and the ground surfaces within most home sites have been disturbed over the course of many years of occupation and development. This sale will have no effect to state-owned heritage properties.

**Access/Recreational Use:**
As part of the cabin and home site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin site sale program that the public is permitted to use for recreation. Rather, the funds generated by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.
Economic Analysis:
Short term – The average rate of return on this sale parcel is 4.982%. The parcel will continue to receive this return if it remains in state ownership. The income rate of return will likely grow smaller over the next 20 years, as average annual value appreciation is greater than the annual rent increase, as shown in Figure 1 below.

Figure 1: Sale 1159 - Review of Past Income and Values; Forecast Income and Values

Long term – The funds from the sale of this parcel would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.04% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher, ranging from 3.46% on acquisitions purchased within the last five years to 3.41% for lands acquired within the last ten years. Figure 2 shows hypothetical lot values derived from the 3-year average net revenue of the current lease, at a sample range of income rates of return that could be anticipated when the sale proceeds are used for a land banking acquisition.
Figure 2: Lot Values derived from 3-year Average Net Income at Sample Rate of Return

<table>
<thead>
<tr>
<th>Sale Number</th>
<th>Rate of Return at Current Appraised Value for Land</th>
<th>Average Rate of Return on all Land Banking Acquisitions</th>
<th>Average Rate of Return on Land Banking Acquisitions within the last 5 years</th>
<th>Average Rate of Return on Land Banking Acquisitions within the last 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income Rate of Return</td>
<td>4.982%</td>
<td>3.04%</td>
<td>3.46%</td>
</tr>
<tr>
<td>1159</td>
<td>Derived Lot Value</td>
<td>$12,500</td>
<td>$20,487</td>
<td>$18,052</td>
</tr>
</tbody>
</table>

Appraised Values of Land and Improvements:
The appraisal was prepared by Montana General Certified Appraiser Ernest F. Goettlich V of Northern Acres Appraisal Services, LLC in Havre.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Appraised Land Value</th>
<th>Appraised Improvements Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1159</td>
<td>$12,500</td>
<td>$57,500</td>
</tr>
</tbody>
</table>

DNRC Recommendation
The DNRC recommends that the Land Board set the minimum bid for this home site at the appraised land value and the maximum value of compensation for the improvements shown above.
Land Board Agenda Item  
May 16, 2022

0522-4B    Cabin and Home Sites: Set Minimum Bid for Sale

<table>
<thead>
<tr>
<th>Location:</th>
<th>Flathead County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust Benefits:</td>
<td>Common Schools</td>
</tr>
<tr>
<td>Trust Revenue:</td>
<td>$436,000</td>
</tr>
</tbody>
</table>

Item Summary
The Department of Natural Resources and Conservation (DNRC) is requesting to set the minimum bid for one (1) cabin site nominated for sale in Flathead County. This sale was nominated by the lessee in conjunction with the 2020-2021 Cabin and Home Site Sale Program.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Acres</th>
<th>Legal Description</th>
<th>Nominator</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>1143</td>
<td>1.997±</td>
<td>Lot 9, McGregor Lake, COS 19909 Section 16, T26N-R25W</td>
<td>Jay &amp; Diana Winters</td>
<td>Common Schools</td>
</tr>
</tbody>
</table>

This parcel is currently leased as a cabin site and produces above average income for residential leases statewide. The parcel will be sold with the access that is currently provided under their lease agreements and can be conveyed by DNRC.

Background:
Preliminary Land Board approval was granted in April of 2020 (Approved 5-0).

Cultural/Paleontological Resources:
A Class I level of cultural resource inventory was conducted for this proposed sale. Home sites typically contain numerous structures and the ground surfaces within most home sites have been variously disturbed over the course of many years of occupation and development. This sale will have no effect to state-owned heritage properties.

Access/Recreational Use:
As part of the cabin site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin site sale program that the public is permitted to use for recreation. Rather, the funds generated by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.
Economic Analysis:
Short term – The average rate of return on this sale parcel is 2.213%. The parcel will continue to receive this return if it remains in state ownership. The income rate of return will likely grow smaller over the next 20 years, as average annual value appreciation is greater than the annual rent increase, as shown in Figure below.

Figure 1: Sale 1143 - Review of Past Income and Values; Forecast Income & Values

Long term – The funds from the sale of this parcel would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.04% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher, ranging from 3.46% on acquisitions purchased within the last five years to 3.41% for lands acquired within the last ten years. Figure 2 shows hypothetical lot values derived from the 3-year average net revenue of the current lease, at a sample range of income rates of return that could be anticipated when the sale proceeds are used for a land banking acquisition.
Figure 2: Lot Values derived from 3-year Average Net Income at Sample Rate of Return

<table>
<thead>
<tr>
<th>Sale Number</th>
<th>Rate of Return at Current Appraised Value for Land</th>
<th>Average Rate of Return on all Land Banking Acquisitions</th>
<th>Average Rate of Return on Land Banking Acquisitions within the last 5 years</th>
<th>Average Rate of Return on Land Banking Acquisitions within the last 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1143</td>
<td>2.213%</td>
<td>3.04%</td>
<td>3.46%</td>
<td>3.41%</td>
</tr>
</tbody>
</table>

Appraised Values of Land and Improvements:
The appraisal of this cabin site was prepared by Montana General Certified Appraiser Elliott M. Clark, MAI of Clark Real Estate Appraisal of Whitefish, Montana. The sale proponents appealed the values determined by the appraiser and requested a hearing regarding the appraised land value. The administrative hearing was held on March 2, 2022. Administrative Law Judge Cameron Boster’s recommendation to the Land Board was to set minimum bid at the appraised values shown below.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Appraised Land Value</th>
<th>Appraised Improvements Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1143</td>
<td>$436,000</td>
<td>$220,000</td>
</tr>
</tbody>
</table>

DNRC Recommendation
The DNRC recommends that the Land Board set the minimum bid for this cabin site at the appraised land value and the maximum value of compensation for the improvements shown above.
Land Board Agenda Item  
May 16, 2022

0522-5  Easements

Location: Fergus, Ravalli, Stillwater, Valley Counties
Trust Benefits: Common Schools, Public Land Trust – Nav. River
Trust Revenue: Common Schools = $81,374
Public Land Trust = $529

Item Table of Contents

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Right-of-Way Purpose</th>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stillwater County</td>
<td>Public County Road</td>
<td>Permanent</td>
<td>62-117</td>
</tr>
<tr>
<td>Blackfoot Communications</td>
<td>Buried Fiber Optic Cable</td>
<td>Permanent</td>
<td>118-119</td>
</tr>
<tr>
<td>Fergus County</td>
<td>Public County Road</td>
<td>Permanent</td>
<td>120-121</td>
</tr>
<tr>
<td>Dry Prairie Rural Water Authority</td>
<td>Buried Water Pipeline</td>
<td>Permanent</td>
<td>122-144</td>
</tr>
</tbody>
</table>
Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19174
R/W Purpose: a public county road known as Battle Butte Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through S2S2, Sec. 36, Twp. 2N, Rge. 20E,
Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Stillwater County has made applications for County roads that were constructed on state lands
many years ago without proper authorization from the Land Board. Pursuant to §77-1-130,
MCA the county is requesting recognition of these roads as historic rights of way.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19175
R/W Purpose: a public county road known as Hoagland Road
Lessee Agreement: N/A (Historic)
Acreage: 3.64
Compensation: $1,800.00
Legal Description: 30-foot strip through S2S2, Sec. 36, Twp. 4N, Rge. 20E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19176
R/W Purpose: a public county road known as Hoagland Road
Lessee Agreement: N/A (Historic)
Acreage: 3.18
Compensation: $1,590.00
Legal Description: 30-foot strip through S2S2, Sec. 36, Twp. 4N, Rge. 21E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19177
R/W Purpose: a public county road known as Brinkle Road
Lessee Agreement: N/A (Historic)
Acreage: 1.36
Compensation: $680.00
Legal Description: 30-foot strip through E2SE4, Sec. 36, Twp. 4N, Rge. 21E,
Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19178
R/W Purpose: a public county road known as Sietz Road
Lessee Agreement: N/A (Historic)
Acreage: 1.80
Compensation: $900.00
Legal Description: 30-foot strip through N2NE4, Sec. 16, Twp. 4N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
             PO Box 149
             Columbus, MT 59019

Application No.: 19179
R/W Purpose: a public county road known as Sietz Road
Lessee Agreement: N/A (Historic)
Acreage: 0.37
Compensation: $180.00
Legal Description: 30-foot strip through NE4NE4, Sec. 8, Twp. 4N, Rge. 22E,
                 Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19180
R/W Purpose: a public county road known as Wodrich Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through S2S2, Sec. 36, Twp. 3N, Rge. 19E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19181
R/W Purpose: a public county road known as Big Timber Road
Lessee Agreement: N/A (Historic)
Acreage: 1.82
Compensation: $900.00
Legal Description: 30-foot strip through N2NW4, Sec. 36, Twp. 3N, Rge. 19E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19182
R/W Purpose: a public county road known as Stagecoach Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through W2W2, Sec. 36, Twp. 3N, Rge. 19E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
R/W Applications 19180, 19181 & 19182

App 19180, 19181 & 19182

App 19181

App 19182

App 19180
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
   PO Box 149
   Columbus, MT 59019

Application No.: 19183
R/W Purpose: a public county road known as Stagecoach Road
Lessee Agreement: N/A (Historic)
Acreage: 1.45
Compensation: $725.00
Legal Description: 30-foot strip through SE4SE4, Sec. 12, Twp. 1N, Rge. 19E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19184
R/W Purpose: a public county road known as Molt-Rapelje Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through N2N2, Sec. 36, Twp. 3N, Rge. 20E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19185
R/W Purpose: a public county road known as Molt-Rapelje Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through W2W2, Sec. 36, Twp. 3N, Rge. 21E,
Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
Applicant: Stillwater County  
PO Box 149  
Columbus, MT 59019

Application No.: 19186
R/W Purpose: a public county road known as Molt-Rapelje Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through S2S2, Sec. 16, Twp. 2N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19187
R/W Purpose: a public county road known as Flat Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through E2E2, Sec. 36, Twp. 3N, Rge. 20E,
Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:  Stillwater County
   PO Box 149
   Columbus, MT 59019

Application No.:   19188
R/W Purpose:   a public county road known as Mosdal Road
Lessee Agreement:  N/A (Historic)
Acreage:   4.97
Compensation:  $2,485.00
Legal Description:  60-foot strip through E2SW4, SW4SW4 Sec. 24, Twp. 3N,
   Rge. 21E, Stillwater County
Trust Beneficiary:  Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
R/W Applications 19188

App 19188

App 19188
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19189
R/W Purpose: a public county road known as Arnold Road
Lessee Agreement: N/A (Historic)
Acreage: 1.77
Compensation: $885.00
Legal Description: 30-foot strip through W2SW4, Sec. 16, Twp. 3N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19190
R/W Purpose: a public county road known as Pleasant Valley Road
Lessee Agreement: N/A (Historic)
Acreage: 1.61
Compensation: $805.00
Legal Description: 30-foot strip through S2SW4, Sec. 16, Twp. 3N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
              PO Box 149
              Columbus, MT 59019

Application No.: 19191
R/W Purpose: a public county road known as Hucke Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through N2N2, Sec. 18, Twp. 3N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
           PO Box 149
           Columbus, MT 59019

Application No.: 19192
R/W Purpose: a public county road known as Downer Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through E2E2, Sec. 28, Twp. 3N, Rge. 22E,
                 Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19193
R/W Purpose: a public county road known as Downer Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through E2E2, Sec. 16, Twp. 2N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19194
R/W Purpose: a public county road known as Hageman Road
Lessee Agreement: N/A (Historic)
Acreage: 1.81
Compensation: $900.00

Legal Description: 30-foot strip through N2NE4, Sec. 30, Twp. 3N, Rge. 22E,
Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19195
R/W Purpose: a public county road known as S Commanche Road
Lessee Agreement: N/A (Historic)
Acreage: 0.90
Compensation: $455.00
Legal Description: 30-foot strip through W2NW4, Sec. 36, Twp. 3N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
R/W Applications 19195

[Map Image with marked area]

App 19195

[Map Image with marked area]

App 19195
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19196
R/W Purpose: a public county road known as Jones Hill Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through S2S2, Sec. 16, Twp. 2N, Rge. 18E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
Applicant: Stillwater County  
PO Box 149  
Columbus, MT 59019

Application No.: 19197
R/W Purpose: a public county road known as Eder Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through N2N2, Sec. 36, Twp. 2N, Rge. 18E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19198
R/W Purpose: a public county road known as Gee Road
Lessee Agreement: N/A (Historic)
Acreage: 3.63
Compensation: $1,800.00
Legal Description: 30-foot strip through N2N2, Sec. 36, Twp. 2N, Rge. 20E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19199
R/W Purpose: a public county road known as Lone Tree Road
Lessee Agreement: N/A (Historic)
Acreage: 5.07
Compensation: $2,535.00
Legal Description: 60-foot strip through NE4NE4, S2NE4, SE4NW4, N2SW4, SW4SW4, Sec. 36, Twp. 1N, Rge. 20E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County  
PO Box 149  
Columbus, MT 59019

Application No.: 19200
R/W Purpose: a public county road known as Reifle Road
Lessee Agreement: N/A (Historic)
Acreage: 1.81
Compensation: $900.00
Legal Description: 30-foot strip through S2SW4, Sec. 16, Twp. 1N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary
Continuation of historic county road applications of Stillwater County.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19201
R/W Purpose: a public county road known as Leuthold Road
Lessee Agreement: N/A (Historic)
Acreage: 1.81
Compensation: $900.00
Legal Description: 30-foot strip through W2SW4, Sec. 16, Twp. 1N, Rge. 22E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
R/W Applications 19200 & 19201
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
PO Box 149
Columbus, MT 59019

Application No.: 19202
R/W Purpose: a public county road known as Joe Hill Road
Lessee Agreement: N/A (Historic)
Acreage: 0.85
Compensation: $1,200.00
Legal Description: 30-foot strip through SW4SW4, Sec. 16, Twp. 3S, Rge. 20E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
### APPLICANTS AND RIGHTS OF WAY INFORMATION

<table>
<thead>
<tr>
<th>Applicant:</th>
<th>Stillwater County</th>
</tr>
</thead>
<tbody>
<tr>
<td>PO Box 149</td>
<td>Columbus, MT 59019</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Application No.:</th>
<th>19203</th>
</tr>
</thead>
<tbody>
<tr>
<td>R/W Purpose:</td>
<td>a public county road known as Limestone Road</td>
</tr>
<tr>
<td>Lessee Agreement:</td>
<td>N/A (Historic)</td>
</tr>
<tr>
<td>Acreage:</td>
<td>6.08</td>
</tr>
<tr>
<td>Compensation:</td>
<td>$18,240.00</td>
</tr>
<tr>
<td>Legal Description:</td>
<td>60-foot strip through N2N2, Sec. 36, Twp. 4S, Rge. 15E, Stillwater County</td>
</tr>
<tr>
<td>Trust Beneficiary:</td>
<td>Common Schools</td>
</tr>
</tbody>
</table>

**Item Summary**

Continuation of historic county road applications of Stillwater County.

**DNRC Recommendation**

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Stillwater County
           PO Box 149
           Columbus, MT 59019

Application No.: 19204
R/W Purpose: a public county road known as Stillwater River Road
Lessee Agreement: N/A (Historic)
Acreage: 1.48
Compensation: $4,440.00
Legal Description: 60-foot strip through NE4NE4, Sec. 36, Twp. 4S, Rge. 15E, Stillwater County
Trust Beneficiary: Common Schools

Item Summary

Continuation of historic county road applications of Stillwater County.

DNRC Recommendation

The DNRC recommends approval of this easement request.
R/W Applications 19203 & 19204

App 19203 & 19204
Applicant: Blackfoot Communications
1221 N. Russell Street
Missoula, MT 59808

Application No.: 19231
R/W Purpose: a buried fiber optic cable
Lessee Agreement: N/A (Nav. River)
Acreage: 0.11
Compensation: $529.00
Legal Description: 20-foot strip below the Bitterroot Riverbed in SW4SE4, Sec. 12, Twp. 10N, Rge. 20W, Ravalli County
Trust Beneficiary: Public Land Trust - Nav. River

Item Summary

Blackfoot Communications is requesting an easement to install fiber optic cable below the Bitterroot River near Florence. This cable is a part of the Lolo to Florence project and will provide upgraded and additional service to new developments and cellular towers in the area. The fiber optic cable will be directionally bored under the riverbed to a depth of 20 feet.

DNRC Recommendation

The DNRC recommends approval of the application of Blackfoot Communications.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Fergus County
712 West Main Street
Lewistown, MT 59457

Application No.: 19279
R/W Purpose: a public county road known as Road #272
Lessee Agreement: N/A (Historic)
Acreage: 5.44
Compensation: $4,897.00
Legal Description: 30-foot strip through N2SW4 and 60-foot strip through N2SE4, S2NE4, Sec. 16, Twp. 16N, Rge. 16E, Fergus County
Trust Beneficiary: Common Schools

Item Summary

Fergus County has made application for this county road that was constructed on state lands many years ago without proper authorization from the Land Board. Pursuant to §77-1-130, MCA the county is requesting recognition of this road as a historic right of way.

DNRC Recommendation

The DNRC recommends approval of this easement application.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19280
R/W Purpose: a buried 8" water pipeline
Lessee Agreement: ok
Acreage: 3.64
Compensation: $1,274.00
Legal Description: 30-foot strip through W2W2, Sec. 5, Twp. 31N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Dry Prairie Rural Water Authority has made application to install multiple buried water pipelines to serve the rural area in Valley County. The proposed pipeline is part of the federally funded water system under construction to bring quality drinking water to this area. The selected routes follow mainly follows existing roads, which creates minimal impacts and is the most cost effective for the project. The project has gone through the Sage Grouse program and it has been determined that no impacts will occur.

DNRC Recommendation

The DNRC recommends approval of the easement applications of Dry Prairie Rural Water Authority.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19281
R/W Purpose: a buried 8" water pipeline
Lessee Agreement: ok
Acreage: 1.82
Compensation: $637.00
Legal Description: 30-foot strip through E2SE4, Sec. 7, Twp. 31N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority  
PO Box 577  
Culbertson, MT 59218

Application No.: 19282  
R/W Purpose: a buried 8” water pipeline  
Lessee Agreement: ok  
Acreage: 1.81  
Compensation: $633.00  
Legal Description: 30-foot strip through W2NW4, Sec. 8, Twp. 31N, Rge. 40E, Valley County  
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
            PO Box 577
            Culbertson, MT 59218

Application No.: 19283
R/W Purpose: a buried 8” water pipeline
Lessee Agreement: ok
Acreage: 1.78
Compensation: $623.00
Legal Description: 30-foot strip through E2NE4, Sec. 18, Twp. 31N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:       Dry Prairie Rural Water Authority
                 PO Box 577
                 Culbertson, MT 59218

Application No.: 19284
R/W Purpose:     a buried 8” water pipeline
Lessee Agreement: ok
Acreage:        1.86
Compensation:   $651.00
Legal Description: 30-foot strip through E2SE4, Sec. 19, Twp. 31N, Rge. 40E,
                   Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:  Dry Prairie Rural Water Authority
            PO Box 577
            Culbertson, MT 59218

Application No.:  19285
R/W Purpose:  a buried 8” water pipeline
Lessee Agreement:  ok
Acreage:  3.65
Compensation:  $1,281.00
Legal Description:  30-foot strip through E2E2, Sec. 30, Twp. 31N, Rge. 40E,
                 Valley County
Trust Beneficiary:  Common Schools

Item Summary
Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation
The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:  Dry Prairie Rural Water Authority
            PO Box 577
            Culbertson, MT 59218

Application No.:  19286
R/W Purpose:     a buried 8” water pipeline
Lessee Agreement: ok
Acreage:        0.15
Compensation:   $105.00
Legal Description: 30-foot strip through NE4NE4, Sec. 31, Twp. 31N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary
Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation
The DNRC recommends approval of this easement request.
## Applicants and Rights of Way Information

| Applicant                  | Dry Prairie Rural Water Authority  
|                           | PO Box 577  
|                           | Culbertson, MT 59218 |
| Application No.            | 19287 |
| R/W Purpose               | a buried 8” water pipeline |
| Lessee Agreement          | ok |
| Acreage                   | 0.80 |
| Compensation              | $100.00 |
| Legal Description         | 30-foot strip through NW4NW4, Sec. 32, Twp. 31N, Rge. 40E, Valley County |
| Trust Beneficiary         | Common Schools |

### Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

### DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19288
R/W Purpose: a buried 8" water pipeline
Lessee Agreement: ok
Acreage: 0.37
Compensation: $130.00
Legal Description: 30-foot strip through NW4NW4, Sec. 4, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19289
R/W Purpose: a buried 8” water pipeline
Lessee Agreement: ok
Acreage: 1.52
Compensation: $532.00
Legal Description: 30-foot strip through NE4SE4, SE4NE4, Sec. 5, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19290
R/W Purpose: a buried 8" water pipeline
Lessee Agreement: ok
Acreage: 4.22
Compensation: $1477.00
Legal Description: 30-foot strip through W2SW4, SW4NW4, E2NW4, NW4NE4, Sec. 8, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19291
R/W Purpose: a buried 8” water pipeline
Lessee Agreement: ok
Acreage: 3.65
Compensation: $1,278.00
Legal Description: 30-foot strip through W2W2, Sec. 17, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:  Dry Prairie Rural Water Authority
          PO Box 577
          Culbertson, MT 59218

Application No.:  19292
R/W Purpose:   a buried 8” water pipeline
Lessee Agreement:  ok
Acreage:       3.68
Compensation:  $1,288.00
Legal Description:  30-foot strip through W2W2, Sec. 20, Twp. 32N, Rge. 40E,
                  Valley County
Trust Beneficiary:  Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19293
R/W Purpose: a buried 8” water pipeline
Lessee Agreement: ok
Acreage: 3.64
Compensation: $1,274.00
Legal Description: 30-foot strip through W2W2, Sec. 29, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dry Prairie Rural Water Authority
PO Box 577
Culbertson, MT 59218

Application No.: 19294
R/W Purpose: a buried 8” water pipeline
Lessee Agreement: ok
Acreage: 3.64
Compensation: $1,274.00
Legal Description: 30-foot strip through W2W2, Sec. 32, Twp. 32N, Rge. 40E, Valley County
Trust Beneficiary: Common Schools

Item Summary

Continuation of new utility applications of Dry Prairie Rural Water Authority.

DNRC Recommendation

The DNRC recommends approval of this easement request.
R/W Applications 19280 Thru 19294

App 19280 Thru 19294

App 19280
0522-6

EASEMENTS:

City of Billings
Land Board Agenda Item
May 16, 2022

0522-6 Easements – City of Billings

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Right-of-Way Purpose</th>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Billings</td>
<td>Public City Street and Trail</td>
<td>Permanent</td>
<td>148-150</td>
</tr>
</tbody>
</table>
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: City of Billings
2224 Montana Avenue
Billings MT  59101

Application No.: 19337
R/W Purpose: a public city street and trail
Lessee Agreement: ok
Acreage: 8.99
Compensation: $31,465
Legal Description: 90-foot strip through N2SE4, NE4SW4, Sec. 14, Twp. 1N, Rge. 25E, Yellowstone County
Trust Beneficiary: Common Schools

Item Summary

The City of Billings is requesting easements for the purpose of constructing the Northwest Billings Connector road, otherwise known as the Inner Belt Loop project. In fiscal year 2020 the City was awarded a BUILD grant from the Department of Transportation to construct this roadway and an associated trail. This secondary road system will relieve congestion on existing road systems for travelers from the Billings Heights area to the west end of Billings. Additionally, the construction of the trail system will alleviate conflicts between motorists and bicyclists and pedestrians accessing the existing parks and trail systems.

DNRC Recommendation

The DNRC recommends approval of this application at the value of $3,500 per acre.
APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: City of Billings
2224 Montana Avenue
Billings MT 59101

Application No.: 19338
R/W Purpose: a public city street and trail
Lessee Agreement: ok
Acreage: 11.72
Compensation: $46,880.
Legal Description: 90-foot strip through NW4NE4, E2NW4, E2SW4, Sec. 22, Twp. 1N, Rge. 25E, Yellowstone County
Trust Beneficiary: Common Schools

Item Summary
Continuation of the City of Billings applications

DNRC Recommendation

The DNRC recommends approval of this application at the value of $4,000.00 per acre.
Right of Way Application Nos. 19337 & 19338