

December 6, 2012

BOARD MATTER WALK IN MATTER #2

ACTION: CONSIDER PROPOSED EXCHANGE IN CROOK COUNTY, WYOMING

AUTHORITY:

W.S. 36-1-107. Exchange of state-owned and privately owned lands.

W.S. 36-1-110. Authority of Director to effect and complete exchanges.

W.S. 36-1-111. Orders, rules and regulations relative to exchange of lands.

Rules of the Board of Land Commissioners: Chapter 26, Section 5. Exchanges.

BOARD ALTERNATIVES:

- Approve Resolution Approving Agreement to Initiate the Ericsson and Kling Exchanges
- Reject Resolution Approving Agreement to Initiate the Ericsson and Kling Exchanges and remove proposals from Category II exchange list

Ericsson:

Private Land: E½ E½ Section 3: N½ Section 11: SE¼ Section 10
T.56N., R.63 W., Crook County, Wyoming

State Trust Land: N½ ; SW ¼ Section 15: NW¼ Section 14,
T.56 N., R.63 W., Crook County, Wyoming

Kling:

Private Land: SE¼ SW¼ Section 10: T.56N., R.63 W., Crook County, Wyoming

State Trust Land: NW¼NW¼ Section 15: T.56N., R.63W., Crook County,
Wyoming

ANALYSIS:

On September 1, 2012, Roland Ericsson proposed the exchange of 640± in Crook County, Wyoming. On November 14, 2012, Kim Kling also proposed an exchange of 40± acres, which includes a portion of the same property Mr. Ericsson identified for disposal. The parcels proposed for exchange have been placed on the Category II Acquisition and Disposal List by the Office of State Lands and Investments (Office) as required by the Board of Land Commissioners Rules and Regulations Chapter 26 Section 5.

Of importance given the history of the parcels in question, Mr. Ericsson is not the surface lessee of the proposed State Trust Land. Mr. Kling is the lessee and although Mr. Kling generally approves of the Ericsson exchange, he has concerns about a loss of vehicular access to transport his livestock should the exchange occur. Therefore, he has proposed to exchange 40± acres of deeded property for the 40± acres of State Trust Land he desires in order to secure reliable and safe transportation and loading of his animals.

In essence, all parcels proposed by Mr. Ericsson and Mr. Kling for acquisition initially appear to meet the Trust Land Management Objectives. They appear to be highly productive agricultural properties and would improve Trust Asset manageability by the Office. If acceptable to all parties, the Office may be able to negotiate the disposal of the State Trust Land to meet the Trust Land Management Objectives as well as those of the applicants. However, the applications must be presented to the Board in open session prior to further discussion between the parties due to the confidentiality requirement

pursuant to Chapter 26 Section 3 (c) of the Board of Land Commissioners Rules. In accordance with W.S. 16-4-405 (a)(vii), the exchange was presented to the Board for consideration in executive session on December 5, 2012.

TRUST LAND MANAGEMENT OBJECTIVES:

- 1) Better meet the beneficiaries' short and/or long term objectives:
The exchange would benefit the short term objectives by allowing the state to acquire highly productive hay lands in exchange for native rangeland. The revenue from a grazing lease would presumably be improved by the exchange.
- 2) Improve the manageability of the assets:
The exchange would "fill the gap" in the N½ of Section 11 (See Exhibit A). Currently, the only access from Section 2 to Section 12 is by an illegal corner crossing. The exchange would alleviate this access issue. The acquisition of the Kling property would also provide additional access through an easement that is appurtenant to the land.
- 3) Meet a specific school and/or community need:
NA

ESTIMATED MARKET VALUE:

Unknown at this time. Under no circumstance will the Board provide an equalization payment to Ericsson and/or Kling.

EXCHANGE PROCESS:

Additional information is necessary in order to complete the detailed analysis as required in the Board's rules. The next steps in the land exchange process would be to: (1) acquire the appraisals of the parcels; (2) assess and compare the existence and importance of any wildlife habitat and wildlife-oriented recreational opportunities located on the properties as determined by the Wyoming Game and Fish Department; (3) assess and compare the existence and importance of any public recreation opportunities or cultural resources located on the properties, as determined by the Wyoming Department of State Parks and Cultural Resources; (4) complete the potential revenue generation and value appreciation of the Ericsson and Kling properties in comparison to the State Trust Land; (5) further assess and compare the management of the exchange parcels; and (6) further evaluate the extent to which the exchange would provide or improve a school or community need, or improve public access/recreational opportunities.

If the Board approves the attached Resolution Approving Agreement to Initiate the Ericsson and Kling Exchanges, and after the Office and Ericsson and Kling execute Agreements to Initiate the Exchanges, the final detailed analysis, including the appraisals, will be made available to the public. After the final detailed analysis is made available to the public, the Office will hold a public hearing in coordination with the county commissioners. After public comment is accepted, the Board will further consider the proposed exchange in open session and determine whether to direct the Office to complete the exchange.

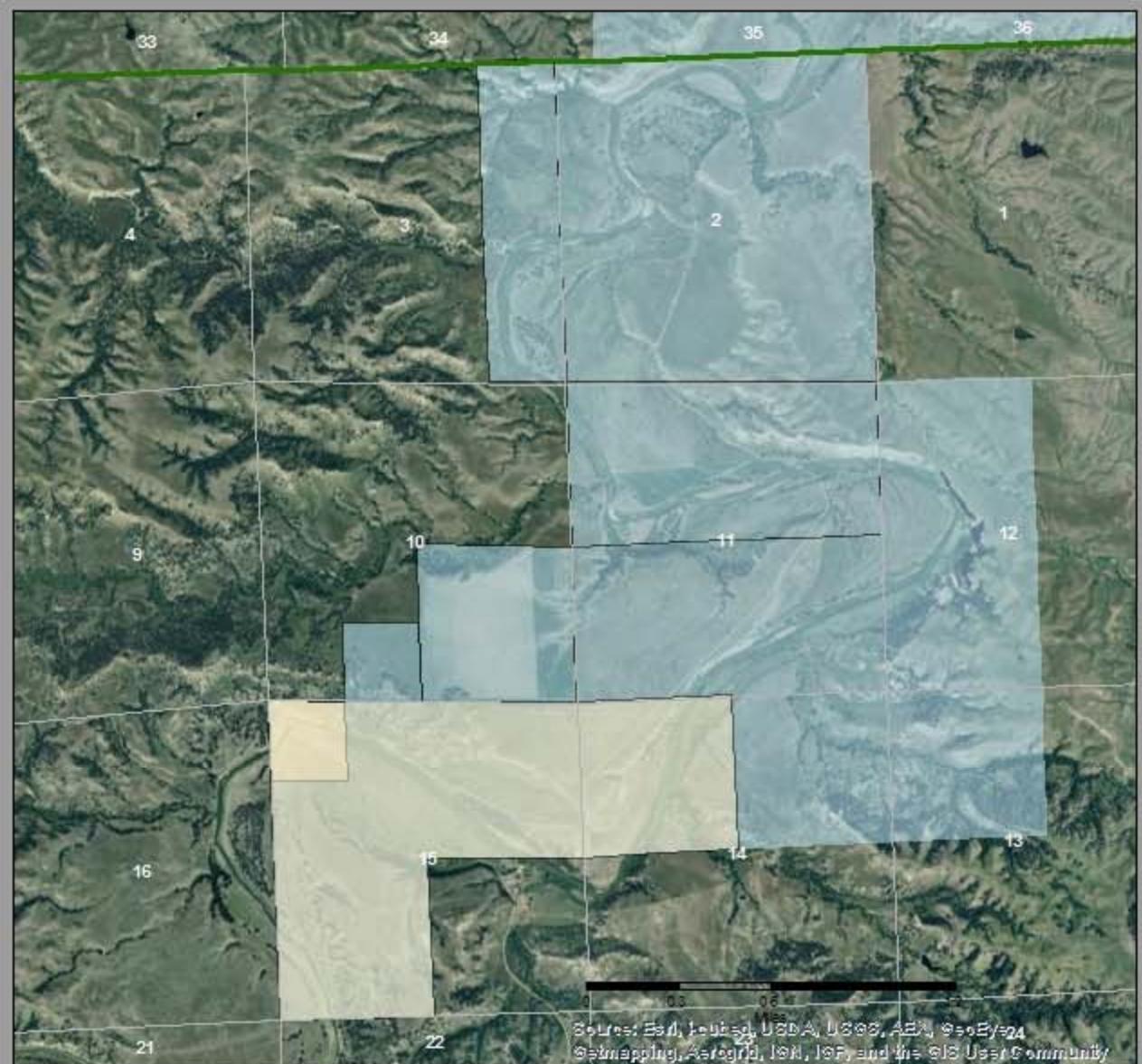
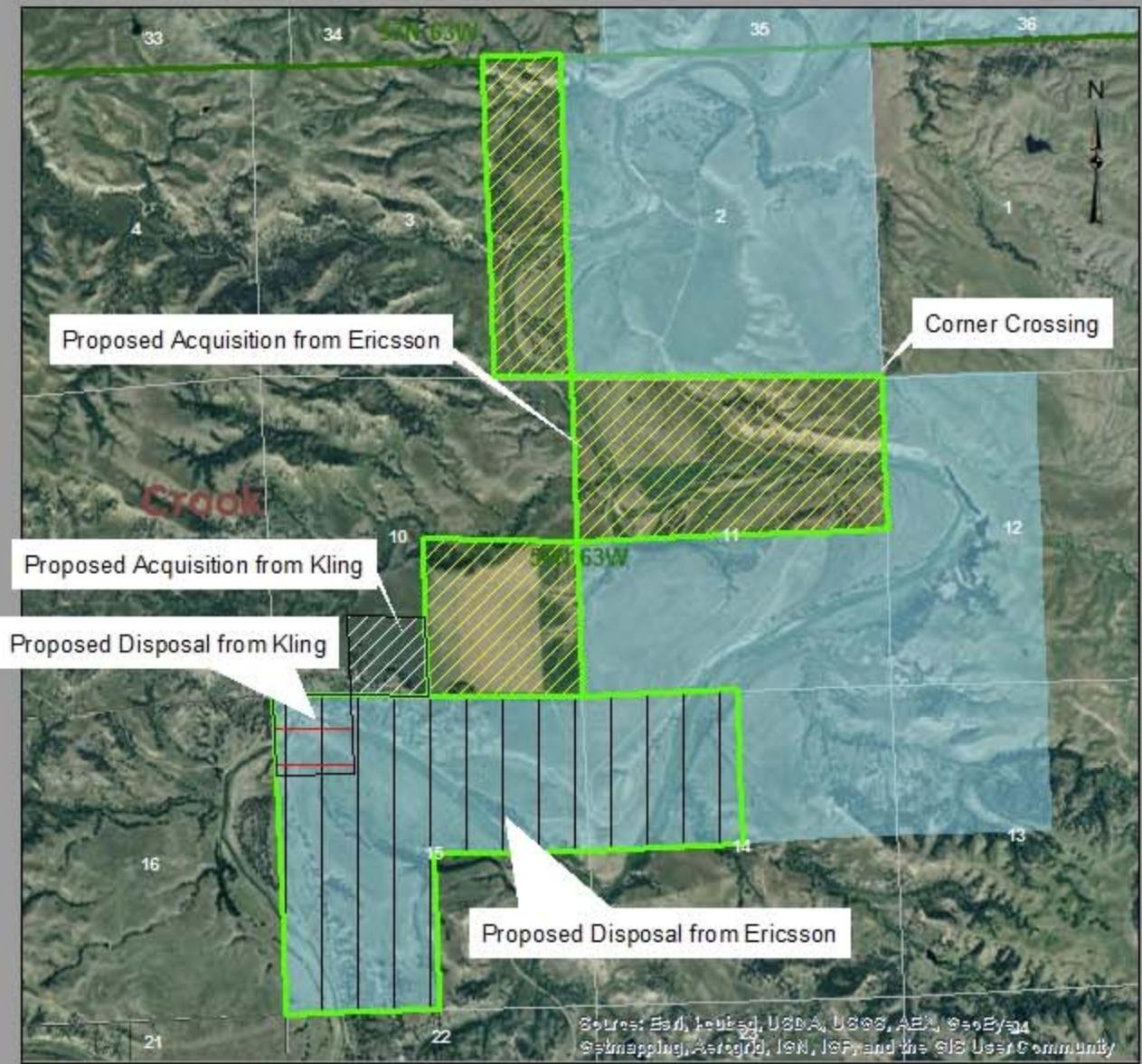
DIRECTOR'S RECOMMENDATION: The Director recommends the Board approve the attached Resolution Approving Agreement to Initiate the Ericsson and Kling Exchanges.

BOARD ACTION: Board Approved

Before

Ericsson/Kling Proposed Exchange

After



Kling Exchange

-  Proposed Acquisition
-  Proposed Disposal

Ericsson Exchange

-  Ericsson Deeded
-  Ericsson Trust

 State Trust Land

 TownshipAndRange

 Sections

 Disposed State Trust Land (After)

 Acquired State Trust Land (After)

Date: 12/5/2012

