

ACTION: CONSIDER RENEWAL APPLICATION FOR SPECIAL USE LEASE

AUTHORITY: W.S. § 36-5-114; Board of Land Commissioners’ Rules and Regulations, Chapter 5, Section 3

Type of Use: Railcar Maintenance Facility

Lease No.: SU-438

Applicant: American Railcar Industries

County: Sweetwater

Acres: 5.582

Description: Tract in SE4SE4
Section 16, Township 18 North, Range 109 West, 6th P.M.

Improvements: Existing Improvements: Railcar Repair Shop and Track and Office Trailer with an applicant estimated value of \$458,740.00

Proposed Improvements: Winterize shop and add fence around backside of property with an applicant estimated value of \$93,000.00

Recommended Rental: \$4,025.00 per year, adjusted annually by 2.0% to offset inflationary pressure based on the ten year weighted average of the Consumer Price Index and subject to five year rental reviews

Recommended Term: December 1, 2017 to December 1, 2027
(10 Years)

Discussion: American Railcar Industries has filed a renewal application for a railcar maintenance facility. The original lease was approved by the Board of Land Commissioners in 1997. The American Railcar Industries facilities include a plant site and a railroad spur from the Solvay Minerals Railway.

It has been determined that this special use lease application site is not in a sage-grouse habitat core area.

DIRECTOR'S RECOMMENDATION:

The Director recommends that the Board approve the renewal of the above-described special use lease application for a ten year term at a rental of \$4,025.00 per year adjusted annually by 2.0% to offset inflationary pressure and subject to a rental review every five years. The Director further recommends that: (1) American Railcar Industries be required to provide a bond equal to an engineer’s estimate for reclamation of the leased area until such time as the site is no longer being used and full reclamation, remediation, or other appropriate action consistent with the Board of Land Commissioners’ Rules and Regulations is completed, and (2) American Railcar Industries be required to place a sign on the site identifying the special use lease number. Approval of the application is not to be considered approval of the applicant’s estimated value of improvements.

BOARD ACTION: Board Approved