

ACTION: CONSIDER TRUST LAND PRESERVATION AND ENHANCEMENT ACCOUNT PROJECT

AUTHORITY: 2005 Senate Enrolled Act No. 37 (Original SF0015)

ALTERNATIVES: Approval or denial of the preservation and enhancement project.

ANALYSIS:

Pursuant to Chapter 85, 2005 Session Laws, the Wyoming Legislature created a “State Trust Land Preservation and Enhancement Account” (TP&E Account). The legislation provides that the account may be used to fund Board-approved projects that preserve and enhance the value of state trust lands. For accounting and performance tracking purposes, subsequent appropriations to the TP&E Account are accounted for separately.

The recommended project satisfies one or more of the established criteria and priorities for preservation and enhancement account projects. Additionally, the recommended project was evaluated and ranked using the project evaluation system and questionnaire developed by the Office of State Lands and Investments (OSLI) in accordance with the strategic plan for the TP & E Account. The project score indicated that the projected outcome would be consistent with objectives of the program as identified within the Strategic Plan and ranked favorably when compared to other potential projects. The scoring sheet is available for review upon request.

DISCUSSION:

The Little Snake River Conservation District (LSRCD), Three Forks Ranch Corporation (lessee), Cobb Cattle Company (lessee), Ladder Livestock (lessee), D. Corson (lessee), and Purple Sage Ranch (lessee) have submitted a proposal to construct five stock ponds on the following state grazing leases:

#3-6921	Cobb Cattle Co.	T14N R89W S16
#3-8024	Ladder Livestock	T14N R90W S36
#3-8493	Three Forks Ranch	T14N R91W S36
#3-8718	D. Corson	T12N R91W S16
#3-8469	Purple Sage Ranch	T13N R92W S16

It is anticipated by the proponents that the water sources will allow more flexibility for livestock grazing operations and provide water for both livestock and wildlife. The area is utilized by large numbers of mule deer, antelope, and sage-grouse. Improved upland water development will lessen livestock pressure on existing water sources and result in improved riparian condition and aquatic habitat, particularly along the Little Snake River. The total cost for this project is estimated to be \$108,310.50. The proposed cost to the TP&E Account is \$54,155.25, or 50% of the overall project cost.

Economic Cost/Benefit: The proposed project leverages funding from LSRCD and the grazing lessees to construct new stock water reservoirs on state trust lands for 50% of the total project cost, resulting in a benefit-cost ratio of 2:1.

Resource Benefit: This project will result in improved range condition and wildlife habitat on state trust lands, as well as on adjacent private and federal lands in the same pasture/grazing allotment. The project also puts Wyoming’s unappropriated water to beneficial use. Water rights will be filed jointly with OS LI. Additionally, by retaining water at the upper portions of the watershed, it is anticipated that the riparian habitat will be improved in the downstream watershed.

Trust Land Income: This project will increase the availability of water and quantity of vegetation which OS LI leases for livestock grazing, making this trust land more productive and valuable.

Management: The project involves the construction of reservoirs in strategically placed locations within each of the respective allotments or pastures. These particular state trust lands, as well as the surrounding BLM lands, have a shortage of quality water sources, especially in dry years. The lands are capable of producing large amounts of vegetation for grazing and wildlife purposes. However, due to the shortage of late season water sources, the time of year in which the respective area can be utilized is limited to spring and early summer. The reservoirs will be constructed in the upper third of the watershed which will provide the much needed water storage at or near the top of the watershed where water becomes scarcer as the summer months progress.

Intangible Benefit: A portion of the state trust land is included in the South Rawlins sage-grouse core area. Improved range condition associated with enhanced distribution of livestock may result in improved nesting habitat for sage-grouse.

DIRECTOR'S RECOMMENDATION:

The Director recommends that the Board of Land Commissioners approve expending funds for the preservation and enhancement project as described above in an amount of 50% of the overall project cost, not to exceed \$54,155.25.

BOARD ACTION: Board Approved