

RESOLUTION NO. 42-99

AUTHORIZING AN AGREEMENT TO INITIATE  
LAND EXCHANGE BETWEEN THE  
CITY OF GRAND JUNCTION AND THE BUREAU OF LAND MANAGEMENT

Recitals.

The City and the Bureau of Land Management have cooperated for years in various ways, including the joint efforts regarding the Grand Mesa Slopes areas. A current cooperative effort involves the desires of both entities to evaluate and hopefully consummate several land exchanges so that the interests of each are promoted. This agreement authorizes the City to take reasonable steps needed to move toward such exchanges.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

The attached Agreement to Initiate Land Exchange between the City and the Bureau of Land Management is approved. The City Manager is authorized and directed to execute the agreement.

PASSED and ADOPTED this 7<sup>th</sup> day of April, 1999.

/s/ Janet L. Terry  
President of the Council

ATTEST:

/s/ Stephanie Nye  
City Clerk

AGREEMENT TO INITIATE A LAND EXCHANGE BETWEEN  
CITY OF GRAND JUNCTION COLORADO  
AND  
BUREAU OF LAND MANAGEMENT, GRAND JUNCTION RESOURCE AREA  
Serial No. COC-59085

INTRODUCTION:

This Agreement to Initiate a Land Exchange is made this 16<sup>th</sup> day of April, 1999, pursuant to Section 206 of the Federal Land Policy and Management Act of October 21, 1976, as amended. This agreement is between the City of Grand Junction Colorado (Proponent), and the Bureau of Land Management, Grand Junction Resource Area (BLM).

The Proponent has legal ownership of the non-Federal lands (offered private lands) and has the ability to provide title to such lands. Mark Achen, Grand Junction City Manager has the legal authority to execute land transfer documents for the City of Grand Junction. The City is a municipality in the State of Colorado, United States of America.

In summary, the Proponent would obtain ownership of approximately 637.81 acres of public land located adjacent to existing City property in the Grand Mesa slopes area. The Proponent has offered to the BLM 679.76 acres of land adjoining existing BLM administered lands in the same vicinity. The lands involved in this exchange proposal are described as follows:

Selected Public Lands:

T. 2 S., R. 2 E.  
Sec. 1: Lots 1, 2, SE $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
Sec. 10: NW $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
Sec. 15: W $\frac{1}{2}$ NW $\frac{1}{4}$ ,

T. 12 S., R. 97 W.  
Sec. 30: Lots 11, 13, 14,

T. 12 S., R. 98 W.  
Sec. 11: Lots 7, 8,  
Sec. 12: Lot 13,  
Sec. 13: Lot 4,  
Sec. 14: Lot 5,  
Sec. 25: SE $\frac{1}{4}$ SE $\frac{1}{4}$ ,

Offered Private Lands:

T. 1 S., R. 2 E.  
Sec. 10: SE $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
Sec. 11: N $\frac{1}{2}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
Sec. 12: NW $\frac{1}{4}$ SW $\frac{1}{4}$ ,  
Sec. 13: NW $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ ,  
(Less 10.24 Acres)

T. 2 S., R. 1 E.  
Sec. 1: NW $\frac{1}{4}$ SW $\frac{1}{4}$

T. 2 S., R. 2 E.  
Sec. 4: Portion of Lot 3,  
S $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ ,  
Sec. 17: N $\frac{1}{2}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ ,

The City of Grand Junction would benefit from the exchange by consolidating the selected public lands with other city property located in the area. The offered private lands have been identified for exchange because of their limited value to city management objectives in the area.

The concept for this land exchange is identified in the Grand Mesa Slopes Special Management Area Management Plan (GMS) and the Gunnison River Bluffs Public Use Plan (GRB). The GMS and GRB Plans are essentially "managed open space" plans that have also been adopted as part of the Mesa County Master Plan. The purpose of this agreement is to initiate the technical aspects of land exchanges proposed in the GMS and GRB Plans. The BLM's Grand Junction Resource Area Resource Management Plan, 1987, has been amended to accommodate the proposed land exchange, with the goal of consolidating and benefitting the management of public lands in the area.

DESCRIPTION OF LANDS OR INTEREST IN LANDS BEING CONSIDERED FOR EXCHANGE:

The attached map ("Exhibit A") outlines the private and public lands being considered for exchange. Only the surface estate would be conveyed on all public and city lands being considered for exchange.

The Proponent shall convey to the United States of America by warranty deed free of lien or encumbrance, except as otherwise provided herein, the lands and all interests therein, subject only to reservations and exceptions acceptable to the BLM.

BLM shall deliver to the Proponent a United States patent to the selected lands and all interests therein, subject only to patent reservations acceptable to the proponents.

EXCHANGE PROCESSING STEPS:

Each party will provide the other with detailed maps, legal descriptions, and other boundary identification as needed.

Preliminary title evidence has been obtained by the BLM. The BLM will obtain a preliminary title opinion and the BLM will notify the proponent if any title encumbrances need to be removed or corrected. To date, the BLM has incurred costs of approximately \$210 to research title to the City property involved in the exchange.

BLM, at its expense, has obtained an appraisal of all land parcels involved in the exchange. To date, the BLM has spent approximately \$10,000 to complete the appraisal for this proposed land exchange.

Both parties hereby agree that the land values determined and approved by BLM on September 22, 1998 shall be used in completing this exchange and that the bargaining and arbitration provisions of 43 CFR 2201.4 shall not be used in this exchange. In the event this land exchange is not completed by December 31, 1999, the appraised values shall be reappraised.

Prior to a sale of City lands dedicated to a governmental purpose, City of Grand Junction City Charter provisions require a vote of the public to authorize such a sale. During the period prior to closing, the City will determine if this provision applies to an exchange as contemplated in this agreement. Notification to the BLM will be timely if such a vote is necessary.

Upon execution of this Agreement the BLM shall diligently proceed to:

- a. Note the public land records to segregate the lands from appropriation under the public land and mineral laws.
- b. Complete the land exchange feasibility report and publish the Notice of Exchange Proposal in local newspapers and other notices as needed under 43 CFR 2201.2. BLM will pay these publication costs. The BLM will incur costs of approximately \$250 to publish the Notice in the local newspaper.
- c. Complete the Environmental Analysis for this land exchange. Document preparation costs are anticipated to approximate \$5300, but could be higher if the need for significant revision is identified through the review process.
- d. Complete the mineral report and cultural resources report for the federal lands. Complete a hazardous materials inspection of the properties. The Mineral report primarily involves BLM staff time, at an approximate cost of \$1500. The cultural resources report for the

involved public land was completed under BLM contract and additionally involved BLM staff time in coordinating with the State Historic Preservation Officer. Total cultural survey costs are approximately \$21,000. The hazardous materials inspections primarily involve BLM staff time, with approximate costs of \$850.

e. The Proponent and BLM will jointly conduct at least one public meeting to gain input concerning this exchange proposal. Interested parties will have an opportunity to be involved in the analysis of this proposal at and through the public meeting. It is understood that BLM will analyze all public and natural resource concerns and cannot guarantee completion of any land exchange. All BLM actions are contingent upon obtaining sufficient budget appropriation. It is anticipated the public meeting will utilize BLM facilities and will involve participation by both BLM and City personnel for one evening. Costs should be minimal and be limited to salaries for the involved personnel.

#### HAZARDOUS SUBSTANCES:

Each party to this agreement hereby declares to their knowledge there have been no known or suspected release, storage, or disposal of hazardous substances on the Federal or non-Federal lands involved in the exchange.

Further, BLM will take whatever steps are necessary to determine if hazardous substances are present on the Federal and non-Federal lands involved in the exchange. This will include a hazardous materials inventory and report on the non-Federal lands.

#### PHYSICAL ACCESS, RIGHT TO ENTER:

The parties to this agreement hereby grant permission to the other parties to enter and physically examine the lands involved in the exchange. Such examination shall be by non-surface disturbing methods, unless specific permission is otherwise given.

#### RELOCATION and USE TERMINATION:

Pursuant to 49 CFR 24.101, this Agreement serves as formal notice to the proponent of the voluntary nature of this exchange and that the non-Federal lands are being acquired by the United States on a voluntary basis. Relocation benefits are not applicable to the proponent of this exchange.

#### CLOSING:

The exchange can be closed following completion of the final Environmental Analysis which includes a Decision Record, publication of a Notice of Decision, and following resolution of any Decision protests.

Final equalization of values, if necessary, may include adding or removing certain offered or selected tracts, donation by the City of Grand Junction, or equalization through an interested third party. As identified in the description of exchange processing steps, the BLM has currently invested approximately \$39,000 in processing this exchange. The appraisal indicates the offered City property is valued at \$33,000 more than the selected BLM administered lands. Donation of this valuation difference by the City provides an opportunity to equalize monetary participation by both involved parties.

Any additional equalization of processing costs will be handled at closing. The

City's share shall not exceed \$1,000.

Pursuant to 2201.9, title to the Non-Federal and Federal lands will be transferred simultaneously through escrow procedures. Escrow instructions will be prepared and delivered to the Abstract and Title Company of Mesa County prior to closing.

At the time of closing, the Proponent will deposit in escrow, 1) a warranty deed, on a form previously approved by the BLM, conveying the non-Federal lands, subject to those reservations and exceptions permitted in the preliminary title opinion, to the United States of America, and its assigns, pursuant to 43 CFR 2201.8(b)(1), and 2) a Policy of Title Insurance (ALTA U.S. Policy Form 9/28/91), or an endorsement to a previously furnished policy, in the amount equal to the appraised value of the non-Federal lands, showing title vested in the United States and free from all encumbrances except those permitted in the Preliminary Title Opinion, pursuant to 43 CFR 2201.8(a) and 2201.8(c).

If required, any necessary equalization payment as provided for in 43 CFR 2201.6 will be deposited in escrow.

At the time of closing BLM will deposit in escrow the patent to the Federal lands. The patent shall contain only those reservations and exceptions acceptable to the Proponent.

AMENDMENT OF AGREEMENT:

This agreement may be amended by consent of the parties or terminated at any time upon written notice by any party.

NON-BINDING NATURE OF AGREEMENT:

Performance by each party of the terms of this agreement is dependent upon the availability of appropriate funds. This agreement does not legally bind any party to proceed with processing or to consummate the proposed exchange, or to reimburse or pay damages to any party to this proposed exchange, or anyone doing business with any such party.

This agreement and the consummation of this proposed exchange is subject to the provisions of 43 CFR Part 4, The Department of the Interior Hearings and Appeals Procedures, and in the event of a protest or appeal, is contingent upon final disposition of that protest or appeal.

IN WITNESS WHEREOF, the parties have executed this agreement in duplicate as of the last date shown below.

PROPONENT

BY: Mark Achen

Mark Achen

Title: City Manager

Date: 4/14/99

BUREAU OF LAND MANAGEMENT

BY: Catherine Robertson

Catherine Robertson

Title: Area Manager

Date: 4/16/99

