Memo

To: LAC Committee

From: Bruce Sackett, Land Specialist Executive Directors Office

Date: April 18, 2012

Re: 2009008 Broadfoot East Pit Pumping Royalty Contract Extension

Broadfoot Sand and Gravel has asked for an extension of the three year royalty agreement now entering into the third year. A copy of the agreement is attached. Pictures from the year 2010 and 2011 are posted on the website to allow everyone to see the progress of this off channel sand and water non-complex area.

The Program will continue to receive an annual royalty for the material removed. All other terms of the agreement will remain in place. We have discussed shallow dredging of the remaining portion of land in order to complete more finished habitat sooner and allow for more opportunity to see nests formed and chicks reared on the area.

Staff recommends a rolling three year extension to allow Broadfoot to plan ahead for mining operation to match with the timing of shallow dredging. Discussions are in the works to determine that projected completion date.

The final design of the remaining mined out area is a long east to west peninsula with a narrow access opening at the east end. The outline of the flood irrigated field is the designed end point of mining. All land north and east of the flood irrigated field is presently being considered for sale by the program in the immediate future. As the mining is completed and the operation finishes we plan to fence this area similar to the west pit. A road will allow for access around the pit and only program staff or contractors will be allowed to access the site.

ROYALTY AGREEMENT

This Agreement is made and entered into this first day of April, 2010, by and between the Platte River Recovery Implementation Foundation, A Nebraska Non-Profit Corporation, Trustee, herein after referred to as "Owner," and Broadfoot Sand and Gravel Company, Inc., A Nebraska Corporation, hereinafter referred to as "Broadfoot."

WHEREAS, Owner is the owner of certain real property located in Buffalo County, Nebraska, and more particularly described on Exhibit "A" attached hereto and incorporated by reference;

AND WHEREAS, Broadfoot desires to remove rock, gravel, sand, and other materials from said real property, Exhibit "A," and Owner desires to allow and authorize the same;

NOW, THEREFORE, the parties agree as follows:

1. Commencing April 1, 2010 and continuing for a period of three (3) years thereafter, Broadfoot shall be entitled to remove rock, gravel, sand and other materials from the existing east pit located on the real property, Exhibit "A."

2. As compensation for all rock, gravel, sand and other materials removed by Broadfoot as provided herein, Broadfoot shall pay to Owner the sum of $0.25 per yard for all rock, gravel, sand and other materials removed.

3. Broadfoot shall pay said compensation to Owner not less than annually.

4. During the term of this Agreement, Broadfoot shall maintain liability insurance, in an amount agreed upon by the parties and insuring for all damage, loss or injury caused by or resulting from Broadfoot's activities.

5. At the end of the term of this Agreement, and at such times as necessary during the term of this Agreement, Broadfoot will make the sand banks of said east pit safe and will slope the same to minimize danger or injury.

PLATTE RIVER RECOVERY IMPLEMENTATION FOUNDATION, A Nebraska Non-Profit Corporation, Trustee

By: _____
DIANE WILSON, Executive Director

BROADFOOT SAND & GRAVEL COMPANY, A Nebraska Corporation

By: _____
TERRY L. BROADFOOT, President

EXHIBIT A