

PRRIP - ED OFFICE MEMORANDUM

TO: GOVERNANCE COMMITTEE

FROM: EXECUTIVE DIRECTOR'S OFFICE (EDO)

SUBJECT: SPEIDELL (2015001) GRANT MONEY REIMBURSEMENT AND RECOMMENDATION

DATE: November 25, 2015

At previous GC meetings, the EDO has described the need for wetlands to serve as mitigation for planned construction activities in the "chokepoint" at North Platte. The GC expressed willingness to transfer acres on the Fox Tract in the Fort Kearney Complex from Endangered Species Act (ESA) acres to Clean Water Act (CWA) acres. While these were constructed wetlands, the U.S. Corps of Engineers (Corps) did not consider them "new" wetlands because we had completed the construction. If we were to construct "new" wetlands on the Speidell Tract the Corps would accept that as mitigation and issue a 404 permit to the Program, allowing the State Channel Flood Risk Reduction Project to move forward. This memo and the attached letters outline the process we have moved through to get approval to use a 25 acre parcel at Speidell for mitigation for work at the North Platte Choke point.

The key points are as follows:

- 1 Purchase of the Speidell tract included taking on a prior commitment to a North American Wetland
- 2 Conservation Act (NAWCA) agreement. Our needs at the North Platte Choke point require mitigation
- 3 within the same Hydrologic Unit Code (HUC) and plans are being drawn to make new wetlands on the
- 4 Speidell land. Approvals are also being sought from the Corps to allow the "new" wetlands on the
- 5 Speidell land to serve as mitigation for construction in the North Platte "chokepoint". You may not use
- 6 any property under a NAWCA grant for mitigation work. Thus we have asked for and received
- 7 approval to return the attributable share of the grant on the 25 acres we intend to use for mitigation.
- 8 The correspondence is included to give you the full extent of our discussions. The U.S. Fish and Wildlife
- 9 administrator has approved this disposition and we agree that upon returning the attributable share
- on these 25 acres we may consider this part of the land no longer within the NAWCA mitigation
- 11 restriction.
- In our land objective accounting these 25 acres will be removed from the Complex lands tally for ESA
- purposes (will not count toward the 10,000 acre land goal) and instead will be shown in a CWA tally.
- We ask your approval to return the calculated attributable share value to the U.S. Fish and Wildlife
- 15 Service a check to allow for continued work on a wetland restoration at Speidell.



September 22, 2015

Sarah P. Mott Chief, Division of Bird Habitat Conservation U.S. Fish and Wildlife Service 5275 Leesburg Pike, MS: MB Falls Church, VA 22041

Re: NAWCA Grant Agreement Drover Island Wetland/Prairie Restoration Project, #14-48-98210-98-G148

Dear Ms. Mott:

The Platte River Recovery Implementation Foundation (PRRIF) bought the Drover Island tract (hereafter Speidell) from The Nature Conservancy (TNC) in February of 2015 (deeds attached). Prior to purchase your office was consulted pursuant to the terms of the NAWCA Grant Agreement Drover Island Wetland/Prairie Restoration Project, #14-48-98210-98-G148 (Grant). Approval was given in a letter dated December 18, 2014.

In August of 2015, the Speidell tract was identified as a priority area for a wetland enhancement project that would fulfill wetland mitigation obligations for a US Army Section 404 permit for another PRRIF project in the Platte River Valley. Approximately 25 acres are needed for the mitigation project. PRRIF understands that property under NAWCA grant coverage cannot be used for mitigation. After examination of the Grant Agreement, 594 acres were identified. PRRIF surveys of the February 2015 purchase identify 750 acres. On September 3, 2015, NAWCA staff was contacted to request that the specific acres to be used for the enhancement project be identified as outside the 594 acre grant area. We have been informed the first review of this request has been rejected due to interpretation of the Grant and limited clarity of the location of 594 acres involved in the Grant Agreement. PRRIF was not a part of the original grant proposal and can speak only to the limits of our knowledge about this property. From the past discussions with TNC staff and review of aerial photographs it is our understanding that the Grant covered the purchase of the Speidell tract, a significant amount of tree clearing on the southern portion of the tract, and conversion of cropland to native grassland. The proposed PRRIF wetland enhancement project/mitigation will involve further excavation of linear swale topography in order to improve hydrology, as well as seeding of native wetland plant species, for the purpose of providing habitat for waterfowl and migrating whooping cranes. We believe that this type of work is in line with the goals and



objectives on the NAWCA program and will add value to the Speidell tract as waterfowl habitat.

Given the discrepancy in the acres covered by the Grant Agreement (+/- 594) and the acres surveyed during PRRIF's purchase (+/- 750), as well as the common habitat objectives of the projects, we would again ask for your office to provide a letter designating the specific 25 acres of the mitigation project as excluded from the original grant area.

If that cannot be provided, we would be open to other avenues to allow the wetland project to proceed on the 25 acre area. PRRIF understand that NAWCA provided \$226,700 for this grant, and that the grant allows for repayment of funds in the event of a sale or change of use. PRRIF would be willing to discuss a specific amount of an attributable share of the costs associated with the 25 acres of land proposed for exclusion and shown on the attached map. We understand you have a copy of the land appraisal done for TNC and may use that document to compute the values involved. If this is the only option, please provide further information on how to proceed.

We appreciate your attention to this matter thus far and are optimistic we can come to a mutually beneficial conclusion. The goals of PRRIF's wetland enhancement project seem to be directly in line with NAWCA and the Grant Proposal's original goals for this property.

Sincerely

Bruce Sackett

Director of Acquisitions

Headwaters Corporation

Cc: Andy Bishop, Coordinator Rainwater Basin Joint Venture, Grand Island, NE



United States Department of the Interior



U.S. FISH AND WILDLIFE SERVICE Division of Bird Habitat Conservation 5275 Leesburg Pike, MS: MB Falls Church, VA 22041 703-358-1784

December 18, 2014

Mr. Jason Skold The Nature Conservancy 1007 Leavenworth Street Omaha, Nebraska 68102

Re: Request to approve property transfer, NAWCA Grant Agreement Drover Island Wetland/Prairie Restoration Project, #14-48-98210-98-G148

Dear Mr. Skold,

We have received your request dated August 26, 2014 to transfer the "Speidell" property, which was acquired under the North American Wetlands Conservation Act (NAWCA) "Drover Island Wetland/Prairie Restoration Project" – Grant Agreement #14-48-98210-98-G148. The Nature Conservancy (TNC) would like to donate the Speidell property (594 acres) to the Platte River Recovery Program (PRRIP) to be incorporated into the Fort Kearney habitat complex located in Kearney, Nebraska.

Consistent with the proposal, the PRRIP will manage the Speidell Property for the benefit of migratory birds and other wetland-associated species. Information received with your request and in subsequent communications indicates that TNC will receive title to the "Martin Meadows" tract in exchange for the Speidell tract. The Martin Meadows tract has been appraised at a lower value than Speidell, therefore TNC will not see a profit from the exchange. Based on this information, the transfer request is approved. The NAWCA Notice of Grant Requirements must accompany the deed.

This approval is contingent upon the information that TNC is realizing no monetary gain for the property and does not plan to develop any portion of the property. If this is incorrect, you must notify the Division of Bird Habitat Conservation and request instructions on how to proceed. In such an instance, an attributable share of costs associated with any sold or developed property must be returned to DBHC.

We appreciate your contacting us regarding this issue. Please contact Ms. Leakhena Au of my staff at 703-358-2463 or by e-mail at leakhena_au@fws.gov if you have any questions or comments.

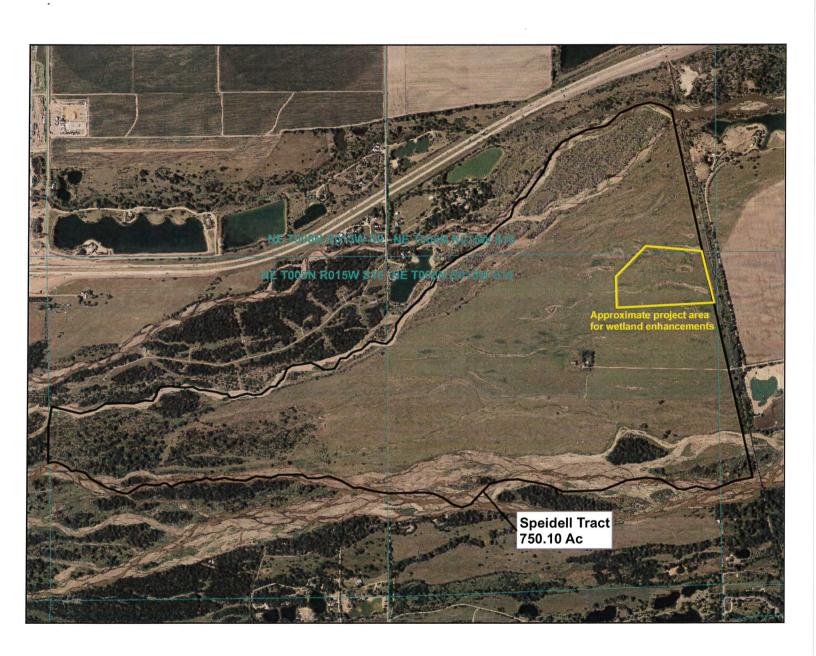
Sincerely,

Michael Kreger

Acting Chief, Division of Bird Habitat

Conservation

cc: Rainwater Basin Joint Venture, Grand Island, NE Attn: Coordinator





United States Department of the Interior



FISH AND WILDLIFE SERVICE

Division of Bird Habitat Conservation 5275 Leesburg Pike MS: MB Falls Church, VA 22041-3803 703-358-1784, 703-358-2282 (fax)

October 30, 2015

Mr. Bruce Sackett Director of Acquisitions Headwaters Corporation 522 Michael Drive Gretna, Nebraska 68028

RE: Property disposition, North American Wetland Conservation Act (NAWCA) Assistance Agreement Number 14-48-98210-98-G148, Drover Island Wetland/Prairie Restoration Project

Dear Mr. Sackett:

The U.S. Fish and Wildlife Service (Service) has received your letter dated September 22, 2015, requesting permission to dispose of 25 acres of land on the Speidell tract which was acquired as part of a NAWCA project entitled "Drover Island Wetland/Prairie Restoration Project" (Agreement #14-48-98210-98-G148).

The sale of any property that is part of a Federal grant project requires that the recipient pay the Federal agency for an attributable share of the current fair market value of the property equivalent to the Federal participation in the project. By the completion of the Drover Island Wetland/Prairie Restoration Project, the NAWCA program provided \$226,700 in federal funds, or 21.5% of eligible project costs (\$827,138.02). In order to dispose of the 25 acres on the Speidell tract for use in a mitigation project, 21.5% must be applied to the appraised value of those 25 acres and paid back to the Service as the attributable share. Please send a copy of the appraisal and write a check payable to the U.S. Fish & Wildlife Service for the appropriate amount, with the name and number of the grant to which this applies in the memo field. Please mail to the attention of Colleen Holland at the address above.

The Notice of Grant Requirements identifying the NAWCA interest must remain recorded against the remaining real property interest. If any of the information above is incorrect, or if anything changes in terms of the management or ownership of this property, please notify us as soon as possible.

If you have any questions or concerns about this project, please contact Ms. Lacy Alison at 703-358-2552.

Sincerely,

Sarah P. Mott Chief, Division of Bird Habitat Conservation

CC: Andy Bishop, Coordinator Rainwater Basin Joint Venture, Grand Island, NE



November 22, 2015

Sarah P. Mott Chief, Division of Bird Habitat Conservation U.S. Fish and Wildlife Service 5275 Leesburg Pike, MS: MB Falls Church, VA 22041-3803

Re: Property disposition, North American Wetland Conservation Act (NAWCA) Assistance Agreement Number 14-48-98210-98-G148, Grant Agreement Drover Island Wetland/Prairie Restoration Project

Dear Ms. Mott:

Thank you for your letter of October 30, 2015. We are pursuing approval from our Governance Committee (GC) to return the appropriate funds for a 25 acre portion "Drover Island Wetland/Prairie Restoration Project". We calculate the dollars involved in the following way:

Appraised value \$1,400,000.00 / 699 acres or \$2,002.86 per acre \$2,002.86 X 25 acres = \$50,071.50 \$50,071.50 X 21.5% = \$10,765.37

With the GC approval at their December 1 & 2, 2015 meeting we will forward a check in the amount of \$10,765.37 to the U.S. Fish and Wildlife Service to the attention of Colleen Holland.

We appreciate your attention to this matter.

Sincerely

Bruce Sackett

Director of Acquisitions Headwaters Corporation

Cc: Andy Bishop, Coordinator Rainwater Basin Joint Venture, Grand Island, NE

