

**STATE OF
COLORADO****Sellers - DNR, Suzanne <suzanne.sellers@state.co.us>**

RE: FC meeting agenda and documents

1 message

Bruce Sackett <sackettb@headwaterscorp.com>

Fri, Dec 2, 2016 at 8:42 PM

To: "Suzanne.Sellers@state.co.us" <Suzanne.Sellers@state.co.us>

Cc: Jason Farnsworth <farnsworthj@headwaterscorp.com>, Chad Smith <smithc@headwaterscorp.com>, Jerry Kenny <kennyj@headwaterscorp.com>

Suzanne

I recently, Tuesday, attended an auction in Holdrege for 160 irrigated cropland in Phelps County about 4 miles south of the Lindstrom land. Lindstrom is in Buffalo County just over the line. The land at that auction sold for \$8,500.00 per acre. It was a good irrigated farm but it causes me to pause at our planned number for cropland. We now may be low. Our thinking was that all land in Nebraska is down about 4% from last year but this will cause those numbers to not be accurate. Poor commodity prices and low inflation seemed to slow land prices but something is working behind the scene to push land prices up. Someone believes times are going to get better.

Another auction in the Pleasanton area occurred the next day and was reported by the auctioneer to sell for \$6,750.00. I cannot define the quality of the ground but he informed me that it sold for about what they expected to get. It had been on the market for 9 months at \$7,000 per acre and the sellers knew it might auction for less than their asking price.

The Wood River auction we attended was recreation land along the Platte River. That sale was 9/12/2016 and the land sold for \$3,786 for the total including accretion acres. The deeded land made the price much closer to \$4,000 per acre.

We just closed the Lindstrom tract with 382 acres of Platte River bottom land, part dryland cropland 60 acres and the balance in recreation value. That purchase price was 1.523 million or \$3,986.00 per acre.

With the Tuesday irrigated land sale pushing prices up, I expect all other types of land will be affected upward.

Since we have a cross section of land types in our sites we may find ourselves short on dollars even if we don't reduce our land estimates.

Hope this helps.

Bruce

From: Jerry Kenny**Sent:** Wednesday, November 30, 2016 10:21 AM**To:** Bruce Sackett <sackettb@headwaterscorp.com>

Cc: Jason Farnsworth <farnsworthj@headwaterscorp.com>; Chad Smith <smithc@headwaterscorp.com>
Subject: FW: FC meeting agenda and documents

See Suzanne's request.

From: Sellers - DNR, Suzanne [<mailto:>]
Sent: Wednesday, November 30, 2016 10:16 AM
To: Jerry Kenny <kennyj@headwaterscorp.com>
Cc: Chad Smith <smithc@headwaterscorp.com>; Jason Farnsworth <farnsworthj@headwaterscorp.com>; Carlee Brown - DNR <carlee.brown@state.co.us>
Subject: Re: FC meeting agenda and documents

Hi,

I forgot to add one thing to my list.

Can Bruce provide some "comps" to show the most up to date prices for the 3 types of land: \$4500/ac (recharge & slurry wall), \$6000/ac (habitat) and 7,000/ac (crop)?

Thanks,

Suzanne M. Sellers, P.E.

Program Manager

O 303-866-3441 x3233 | F 303-866-4474

1313 Sherman St., Rm. 718, Denver, CO 80203

suzanne.sellers@state.co.us | cwcb.state.co.us

On Tue, Nov 29, 2016 at 4:30 PM, Jerry Kenny <kennyj@headwaterscorp.com> wrote:

Suzanne - having this in advance is helpful, and we have identified some of the items you have tagged as potential savings (stopping wet meadows research after 2019, stream gage costs); for some of the items, like GFC-2 where the answer is we need insurance every year regardless of SDHF releases and the rates incorporate that SDHF releases are rare so no relief there, that is the answer - no savings there; and some of the items you tagged we are in the process of examining those and will have more focused thoughts on those by the 7th. We will probably wait

to do any updates live on the 7th so that everyone is present and therefore fully aware of any changes. Thanks for your thoughts. - Jerry