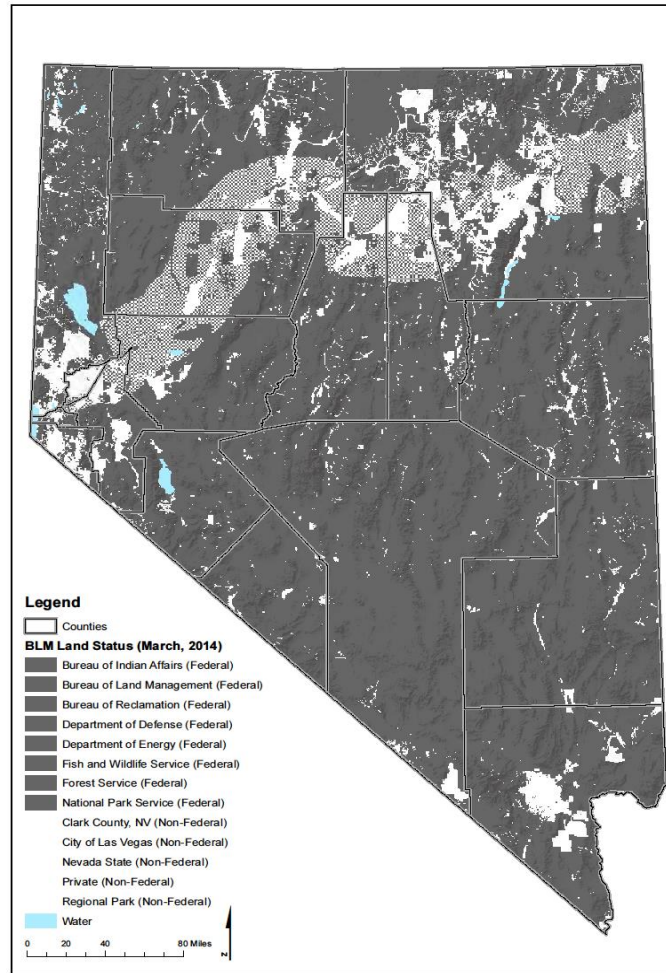


Overview of Nevada Public Land Management Task Force Draft Report

**Presentation to the Nevada Legislature's
Public Lands Committee
Elko, Nevada**

EXHIBIT J - LANDS
Document consists of 15 pages.
Entire exhibit provided.
Meeting Date: 06-12-14

June 12, 2014



Nevada's economy is constrained by limited private and state owned land

Lands to be Excluded from Transfer

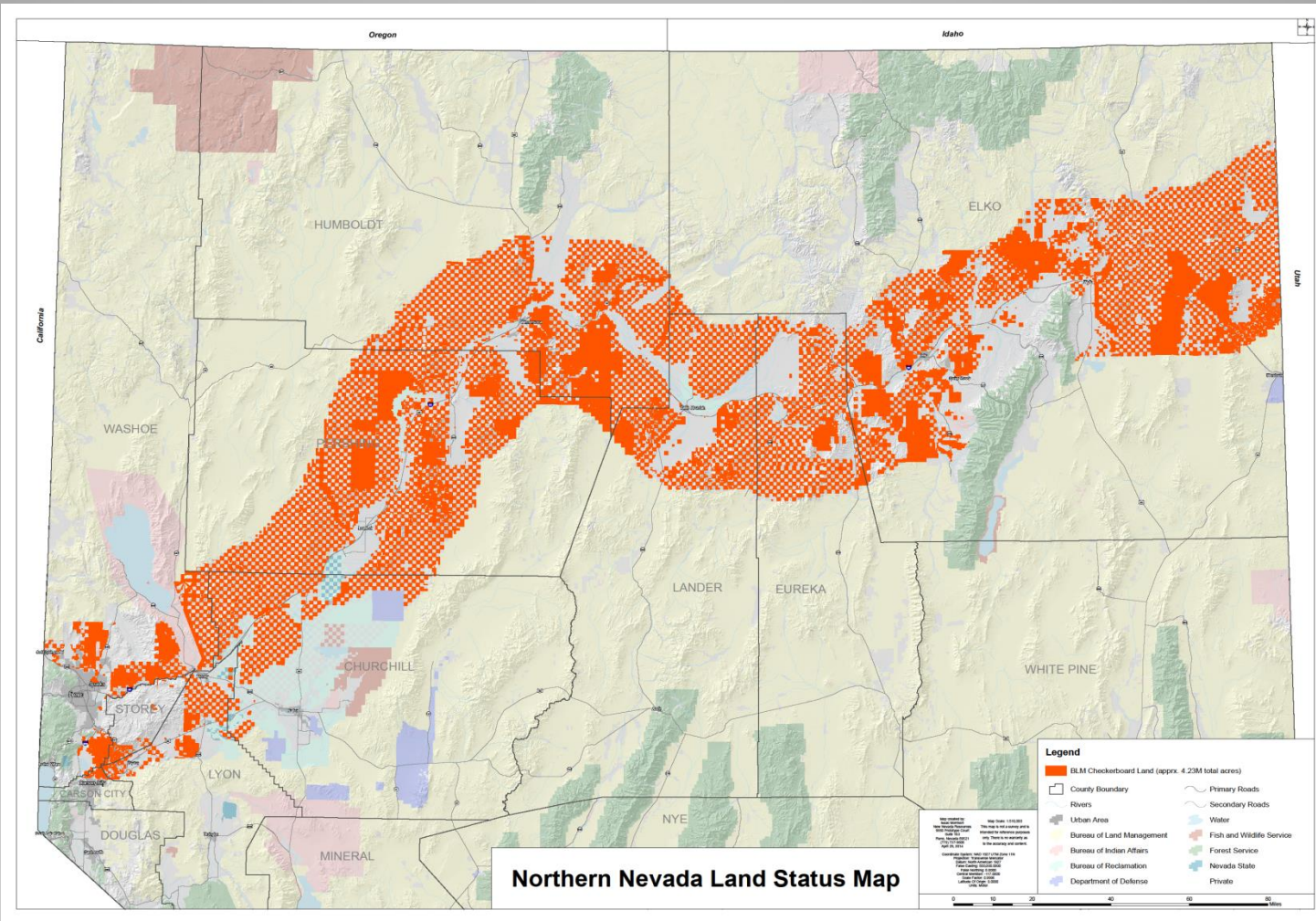
- Current Congressionally designated wilderness areas
- National Conservation Areas
- Lands currently administered by:
 - Department of Energy
 - Department of Defense
 - Department of Interior – Bureau of Indian Affairs
 - Department of the Interior – U. S. Fish and Wildlife Service
 - Department of the Interior – National Park Service

Key Task Force Recommendations

Lands to be Transferred in Phase I

Description	Estimated Acreage
BLM Checkerboard	4,230,600
Identified by BLM as Suitable for Disposal	1,000,000
Existing BLM R&PP Leases	200,000
Existing BLM ROW Grants	255,000
BLM Split Estate	300,000
BLM Designated Solar Energy Zones	60,395
Existing BLM Geothermal Leases	1,045,079
Approved and Proposed Congressional Transfers of BLM Land	250,000
Total Estimated Phase I Acreage	7,281,074

Key Task Force Recommendations



BLM Checkerboard Lands

- The checkerboard land pattern is difficult to manage for both the private land owners as well as the federal agencies.
- There are no United State Forest Service (USFS) lands within the checkerboard, which minimizes the number of federal agencies to be dealt with.
- There are no federally designated wilderness areas or wilderness study areas within the checkerboard land pattern.
- There are few wild horse management areas within the checkerboard land pattern.
- The Union Pacific Railroad mainline, Interstate 80, U.S. 95, and U.S. 93 transportation corridors lie within the checkerboard land pattern.

Why BLM Checkerboard Lands are Logical First Step

Five Year Observed High, Observed Low and Average Net Revenue and FTEs for Arizona, Idaho, New Mexico and Utah State Trust Land Management (2008-2012)

	5-Yr. Observed High	5-Yr. Observed Low	5 Yr. Average
Net Revenue	\$639,11,910	\$25,591,016	\$223,111,851
Total Acres Managed	9,302,255	2,449,255	6,021,441
Revenue/Acre	\$72.40	\$16.78	\$36.79
Expense/Acre	\$9.00	\$1.45	\$3.73
Net Revenue/Acre	\$72.26	\$10.00	\$28.59
Acres Managed/FTE	74,616	9,266	44,275

Estimated Net Revenue from Expanded State Land Ownership in Nevada Using Four Other State Models

	Net Revenue Per Acre	Total Net Revenue Assuming 7.2 Million Acres of BLM Land Transferred to Nevada	Total Net Revenue Assuming 45 Million Acres of BLM Land Transferred to Nevada
Four State Avg. Net Revenue/Acre Model	\$28.59	\$205,848,000	\$1,286,550,000
Four State Low Observed Net Revenue and High Observed Expense/Acre Model	\$7.78	\$56,016,000	\$350,100,000

The following lands should be considered for transfer from the federal government to the State of Nevada in subsequent phases:

- Other BLM administered lands
- United States Forest Service lands
- Lands deemed to be surplus by the Bureau of Reclamation
- Other federally managed and administered lands

The following items will be transferred from the federal government to the State of Nevada:

- Surface estate
- Subsurface estate
- Federally held water rights appurtenant to transferred lands

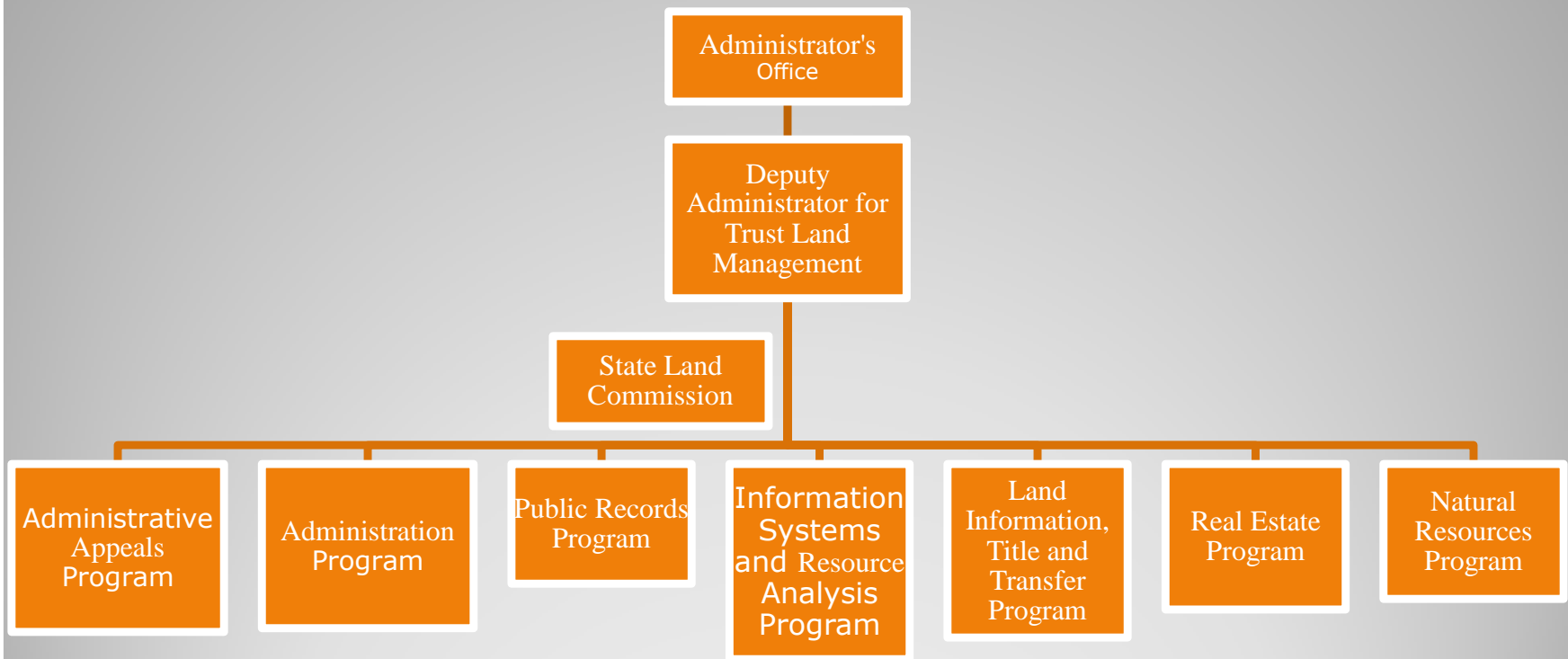
Key Task Force Recommendations

The transferred lands will be held by the State of Nevada in trust and managed for long-term sustainable net revenue maximization for the following beneficiaries:

- Public K-12 education
- Public higher education
- Public specialized education (schools for deaf and blind)
- Public mental health services
- Public medical services
- Public programs for candidate and listed threatened or endangered species recovery plan development and implementation
- Local government to mitigate the loss of PILT, at minimum

Key Task Force Recommendations

The transferred lands shall be managed by an expanded Nevada Division of State Lands and new Office of Trust Land Management



Key Task Force Recommendations

The following principals will guide State management of transferred lands:

- All transferred land subject to applicable State and local statutes, regulations, ordinances, and codes
- All transferred land subject to valid existing federal, state, and local permits; land use authorizations; rights of access and property rights
- Administration and management, including disposal, of transferred land by the State of Nevada *subject to review* by the governing board of local government(s) within which land to be disposed of is located *for consistency* with master plans, ordinances and land use policies.
- Costs incurred by the State of Nevada to administer land transferred to the State to be covered by gross revenue derived from managing said land

Key Task Force Recommendations

Permits and Approvals Required for Major Development Project With and Without Federal Nexus

Permit/Approval	Granting Agency/ With Federal Nexus	Granting Agency/ Without Federal Nexus
Right of Way Grant	BLM	State or Private Property Owner
Change of Zoning/Conditional Use Permit	County	County
Endangered Species Act Incidental Take Permit	U.S. Fish and Wildlife Service (ESA Section 7)	U.S. Fish and Wildlife Service (ESA Section 10)
Explosives Permit (Blasting)	U.S. Bureau of Alcohol, Tobacco and Firearms	U.S. Bureau of Alcohol, Tobacco and Firearms
Section 106 National Historic Preservation Act agreement document(s)	BLM State of Nevada Historic Preservation Office	State of Nevada Historic Preservation Office
National Pollutant Discharge Elimination System Storm Water General Permit	Nevada Division of Environmental Protection Bureau of Water Pollution Control	Nevada Division of Environmental Protection Bureau of Water Pollution Control
Water Pollution Control Permit Reclamation Permit	Nevada Division of Environmental Protection Bureau Mine Regulation and Reclamation	Nevada Division of Environmental Protection Bureau Mine Regulation and Reclamation
Permit to Appropriate Water – Change in Point of Use and Diversion	Nevada Division of Water Resources	Nevada Division of Water Resources
Nevada State Dam Permit (storm water ponds)	Nevada Division of Water Resources	Nevada Division of Water Resources
Industrial Artificial Pond Permit	Nevada Department of Wildlife	Nevada Department of Wildlife
Approval to Operate Sanitary Landfill/Solid Waste System	Nevada Division of Environmental Protection Bureau of Waste Management	Nevada Division of Environmental Protection Bureau of Waste Management
Hazardous Waste Permit	Nevada Division of Environmental Protection Bureau of Waste Management	Nevada Division of Environmental Protection Bureau of Waste Management
Air-Surface Disturbance Permit	Nevada Division of Environmental Protection Bureau of Air Pollution Control	Nevada Division of Environmental Protection Bureau of Air Pollution Control
Air-Permit to Construct Permit	Nevada Division of Environmental Protection Bureau of Air Pollution Control	Nevada Division of Environmental Protection Bureau of Air Pollution Control
Air- Permit to Operate Permit	Nevada Division of Environmental Protection Bureau of Air Pollution Control	Nevada Division of Environmental Protection Bureau of Air Pollution Control
Hazardous Materials Permit	State of Nevada; Fire Marshal Division	State of Nevada; Fire Marshal Division
Radioactive Material License	Nevada State Health Division – Radiological Health Section	Nevada State Health Division – Radiological Health Section
Road Construction and Building Permit	County	County
Potable Water System Approval	Nevada Division of Environmental Protection Bureau of Safe Drinking Water	Nevada Division of Environmental Protection Bureau of Safe Drinking Water
Septic System Approval	Nevada Division of Environmental Protection Bureau of Water Pollution Control	Nevada Division of Environmental Protection Bureau of Water Pollution Control

Ensuring Environmental Integrity of Land Uses on Transferred Lands

- No General Fund Expenditures to Manage Transferred Lands
- Portion of Transferred Lands Collateralized
- Short to Intermediate Term Debt for Land Management Start-up Capital
- Four-State, Five-Year Average Expense Per Acre of \$3.73
- Estimated First Year Expense for 7.2 Million Acres Estimated at \$26,856,000
- First Year Sale of Select Parcels to Generate Start-up Capital and Repay Debt
- First Year Sale of 30,000 Acres at Assumed \$1,000/acre Yielding \$30 Million Plus Other On-Going Revenues (rents, royalties, fees, etc.)
- Land sales in Las Vegas Valley and Reno-Sparks areas would likely result in higher values per acre.

Preliminary Business Plan Concepts

Copies of all Task Force materials including the full May 30, 2014 draft Task Force report entitled, *Congressional Transfer of Public Lands to the State of Nevada: A Report of the Nevada Land Management Task Force to the Legislative Committee on Public Lands*, can be viewed at the Nevada Association of Counties website under the following Nevada Land Management Task Force link:

http://nvnaco.org/images//5_30_14_draft%20nevada%20and%20management%20task%20force%20report.pdf

For Additional Information