

January 16, 2022

Partners

Barbara R. Butler
Shelly S. Dackonish
William S. DeFord
Nathan A. Keever
Michael A. Kuzminski*
Christopher G. McAnany*
Annie D. Murphy*~
John R. Pierce+
Sam D. Starritt◇

Mayor Joette Langianese
Moab City Council
217 East Center Street
Moab, UT 84532

By: Electronic Delivery

Re: Utah School and Institutional Trust Lands (SITLA) Special Use
Lease No. 1342, Police Shooting Range (this is a Public Memo)

Associates

Jon T. Burtard
Samuel H. Fresher
Kate E. Jaquith
Lauren F. O'Dell*
Bruce C. Walters

All:

The City of Moab has for many decades held a lease from SITLA for the operation of a police shooting range located on approximately 2.16 acres in Grand County. The lease expired at the end of December, 2021.¹ Over the last several months we negotiated a new lease (Amended and Restates Special Use Lease Agreement No. 1342) with SITLA, and this memo summarizes the terms of same ahead of review and possible approval by the City Council.

Retired Partners

William H.T. Frey
Richard H. Krohn
Laird T. Milburn

In summary the new lease (attached) contains the following terms:

1. A lease term of 20 years.
2. Rent of \$3,250 per year with an annual escalator based on changes in the Consumer Price Index (CPI) or a subsequent appraisal.
3. The City is required to develop a lead management study and lead management plan within 18 months of the commencement of the term. Prior to the end of the term the City will be obliged to perform a full reclamation of the site, including removal of lead and bullet fragments from the soil. The cleanup must be performed in compliance with applicable environmental regulations. No reclamation is required if the lease is renewed for successive terms.
4. SITLA may require a financial guaranty (a bond) in an amount deemed necessary to cover anticipated reclamation expenses.

D. J. Dufford
(1919-1998)

William G. Waldeck
(1923-2009)

+ Also admitted in Oregon
* Also admitted in Utah
~ Also admitted in Wisconsin
◇ Also admitted in Wyoming

5. The City will be required to indemnify SITLA for claims by third parties arising from all activities of the City under the lease, including environmental liabilities.
6. SITLA reserves the right to terminate the lease after the fifth anniversary upon giving notice to terminate providing one year's advance notice to the City. Thus, the lease could be terminated without cause no later than six years from the effective date.

In general, I would describe SITLA's negotiating position as being fairly rigid. We proposed a number of changes to the proposed lease to soften various terms; for the most part those proposals were rejected by the agency. The upshot is this document is probably the best that can be obtained at the present time.

My understanding is that this site is necessary for Moab Police Department firearms training.² Accordingly, the City may have little choice but to proceed with the lease subject to those terms required by SITLA. A decision to reject the amended and restated lease would likely mean that the City's tenancy would be terminated immediately, and the City would be required to vacate the site and undertake remediation in 2022.

In reviewing this proposed lease the Council should be aware of the need to start planning for the eventual reclamation of this lease property. First steps will include: i) retaining a consultant to evaluate the extent of lead contamination at the site; ii) developing a lead mitigation plan; and iii) planning and budgeting for future reclamation expenses. There are consultants who specialize in this type of environmental remediation and the City should begin planning for these activities and the costs that will accompany them. Eventual reclamation costs are unknown but could be considerable if a full soil removal is required.³

The decision before the Council will be to:

1. approve Amended and Restated Special Use Lease No. 1342 as submitted;
2. reject Lease No. 1342; or
3. request that staff engage in further negotiations with SITLA on specified concerns.

² The site is also used on a cooperative basis by a number of other law enforcement agencies in the area, i.e. Grand County, Utah Highway Patrol, National Park Service, etc. I have conferred with staff about the need for these agencies to contribute money to the City to cover their fair share of the eventual reclamation costs, and I have prepared a license agreement to be signed by other agencies that wish to use the property. The license will provide for a fee to be paid to the City and held for lease maintenance and reclamation costs.

³ The City has reclamation obligations under the existing lease. Accordingly, these liabilities are not "new," but represent a trend towards more rigorous enforcement on the part of SITLA.

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I am happy to answer any questions that the Council has about this document or any related circumstances.

Sincerely,



Christopher G. McAnany

xc: Carly Castle, Acting
City Manager