November 20, 2013

Mr. Jim Cagney
Northwest Colorado Director
Bureau of Land Management
2815 H Road
Grand Junction, CO 81506

RE: Northwest Colorado Greater Sage-Grouse Draft Land Use Plan Amendment and Environmental Impact Statement

Dear Mr. Cagney,

The City of Rifle is a political subdivision of the State of Colorado and a Home Rule Municipality located in Garfield County, Colorado. As a Home Rule Municipality, we can enact and provide for the enforcement of all town ordinances necessary to protect the life, health, safety and property of our citizens.

It has come to our attention that the Bureau of Land Management (BLM) has prepared a Draft Environmental Impact Statement (DEIS) for the Greater Sage-Grouse to amend and update your Land Use Plan and Land Management Plan. As a political subdivision of the State of Colorado, we hereby notice the BLM of its failure to coordinate the DEIS with our City and our seven-member City Council.

None of the proposed conservation measures for the Greater Sage-Grouse carried forward in the DEIS were coordinated with our city and as a result, these conservation measures may cause significant economic harm to our city. The impacts of the proposed alternatives would be devastating and have not been fairly considered and, therefore, could not be properly weighed in the analysis as to which of the alternatives would be preferable.

Because of this shortfall, the City of Rifle formally requests that a supplemental statement be prepared to ensure that the environmental consequences of the four alternatives are properly analyzed by including the direct, indirect and cumulative impacts on the City of Rifle and the health and safety of the people we serve.

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Failure to Coordinate:
Although the City of Rifle is not within the jurisdictional boundaries of your planning area, we are dependent upon and impacted by the use of federal lands managed by the BLM. Therefore every policy the BLM implements, has a direct impact on the services our city provides. Specifically, the BLM is directed through planning rules to take the impacts to our city into account in the analysis presented in the DEIS.

"The development, approval, maintenance, amendment and revision of resource management plans will provide for public involvement and shall be consistent with the principles described in section 202 of the Federal Land Policy and Management Act of 1976. Additionally, the impact on local economies and uses of adjacent or nearby non-Federal lands and on non-public land surface over the federally-owned mineral interests shall be considered." (43 CFR 1601.0-8)

Section 202 of the Federal Land Policy and Management Act includes the statutory direction for your agency to coordinate "planning" with local governments (43 USC 1712(c)(9)). As a political subdivision of the State of Colorado, the City of Rifle is entitled to coordination with your agency in your planning efforts.

The National Environmental Policy Act (NEPA) (42 USC 4321) and corresponding regulations requires coordination with local governments to "improve and coordinate Federal plans, functions, programs and resources." The City of Rifle is entitled to have its policies and economic effects considered and resolved by the BLM prior to the release of the now public DEIS.

Even though the laws and policies that direct the BLM to prepare this DEIS require you to do so in coordination with the City of Rifle, for the purpose of resolving conflicts and to ensure consistency with our policies, ultimately to ensure that the health, safety and welfare of the public is fully considered in this process, the BLM has failed to do so.

As a result, the direct, indirect and cumulative impacts the proposed action will have on our city have not been considered and analyzed so that these impacts can be weighed with the benefits and negative effects of this action. For this reason a supplemental statement should be prepared taking into account the impact of these proposed conservation measures on the health, safety and welfare of the people and in coordination with our city.

This analysis is not something that should be done at a later date when you prepare site specific environmental statements. The policies that will impact our City are being considered now, and will be put into place through this environmental statement. Therefore the harm that will come to the City of Rifle should be considered in this analysis.

Failure to Consider Economic Facts and Impacts to the City of Rifle:
In 2013 the City of Rifle received $615,417.79 from Federal Mineral Lease and $498,309.96 in Severance Tax Direct Distribution for a total of $1,113,727.75, nearly 10 percent of our City's total revenues. Over the last five years, the City of Rifle has received $7,848,911.77 from Federal Mineral Lease and Severance Tax dollars. This does not take into account the amount of money the City of Rifle has received from the Garfield County Federal Mineral Lease District or the Colorado Department of Local

Affairs Energy Impact grant program. Both of these funding mechanisms make it possible for the City of Rifle to complete high priority capital projects that protect the health and safety of our community.

Under the Federal Mineral Leasing Act, approximately 49 percent of those rentals and royalties from mineral production on federal lands are returned back to the state of origin for planning, construction and maintenance of public facilities in areas socially and economically impacted by the mineral leasing development that occurs on federal lands.

Two factors determine the allocation of federal mineral lease revenue to each county pool for further distribution, of which our City is a recipient. Those two factors include: 1) the proportion of residents in the county employed in mineral extraction, and 2) the proportion of the moneys credited to the mineral leasing fund generated in the county to the total generated statewide.
From those county "pools," further allocation is determined and our City receives a proportional share based on: 1) the proportion of residents in the unincorporated areas or municipalities employed in mineral extraction to the total employed in the county; 2) the proportion of population of unincorporated areas or municipalities to the total county population; and 3) the proportion of road miles in unincorporated areas or municipalities to the total road miles in the county.

Severance tax funds are distributed to counties and municipalities based on factors of mining and well permits, mineral production, population and road miles to determine how direct distribution funds are allocated to municipalities and counties.

Fifty percent of the State's receipts from the severance tax on minerals and mineral fuels are credited to the Local Government Severance Tax Fund. The State allocates 70 percent of these funds to local governments through discretionary grants and loans. The remaining 30 percent is placed in a county pool and distributed directly to municipalities and counties economically and socially impacted by mineral production based on similar factors under the Federal Mineral Leasing Act above.
The City of Rifle receives a significant amount of revenue from oil and gas properties, and also relies on sales tax revenues, much of which is derived from businesses and citizens directly employed with or doing business with the oil and gas industry.

We have hundreds of citizens employed in the energy industry that live and work in our City. This not only impacts our tax revenues, but the multiplier effect of their families and spouses who work and shop in our City bring much more in sales tax revenues that would be lost to our City should our concerns not be considered in your planning process.

A supplemental statement should be prepared to fully analyze the impact of the action alternatives on the financial resources of our City and how this will jeopardize the health and safety of our citizens.

Failure to Consider Reasonable Alternative:
Earlier this year, Garfield County adopted the Garfield County Greater Sage-Grouse Conservation Plan. This plan was developed to ensure the conservation measures implemented were appropriate for the unique landscape and culture of the county, which is unlike any other habitat in the 11 state ranges of the grouse. The BLM's policy approach is a "one size fits all" and does not acknowledge local conditions.

The county also developed this plan to ensure there would be coordination among all of the agencies and governments with jurisdictional responsibilities for the habitat and the species. This includes coordination with our City.

NEPA regulations require your agency to "study, develop and describe alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources." (40 CFR 1507.2) It is concerning to us that after reviewing the Garfield County Plan, it was not carried forward as a reasonable alternative for the lands within the jurisdictional boundaries of Garfield County.

The plan, properly compared with the other alternatives, provides the most protection to the greater sage-grouse, while also ensuring the productive use of the land will continue. Under the Garfield County plan, our City could continue to operate with current funds derived from oil and gas exploration and production well into the future and continue to ensure the protection of our citizens, their property and the greater sage-grouse. This plan demonstrates that the grouse and the people can be fully protected without sacrificing human protection. It should have been fully considered and not summarily dismissed. The City of Rifle is also concerned that the BLM is using a seriously flawed habitat map that is not based on the "best available science".

Rigorous analysis and comparison of the Garfield County plan would have helped to sharply define the issues, "providing a clear basis of choice among options by the decision makers and the public," (40 CFR 1502.14) as required under the NEPA rules. This currently does not exist in the comparison of alternatives carried forward. The action alternatives (B-D) vary only slightly from each other and are all a variation of the NTT approach mandated to be included by the Secretary of Interior as the policies preferred. Alternative B is the NTT alternative where these conservation measures are specifically carried forward. Alternative C is a more restrictive version of these same NTT polices. Alternative D is a slightly less restrictive alternative based on the same NTT principles.

There are no sharply defining issues that show clear distinctions between the three action alternatives. They all carry forward the NTT approach in some fashion. Only the Garfield County Plan offers any distinction in how to develop and implement conservation measures for the protection of the grouse.

Summary

For this reason, as well as, the others stated above, a supplemental statement should be prepared to properly consider the local impact of the proposed action on the human and natural environment. This supplemental statement should be prepared in coordination with our City for the purpose of resolving the conflicts with our policies and to ensure all reasonable alternatives are considered which would include a rigorous analysis of the Garfield County Greater Sage-Grouse Conservation plan.

If implemented, the proposed action would represent a violation of BLM's multiple use mandate and a violation of the public trust in that agency to protect human life and property as its first priority. In addition, the exclusion of coordinating with the City of Rifle and not considering the restrictions the BLM's actions will place on our ability to protect our citizens is inconceivable.

Just as it is the BLM's mission to "sustain the health, diversity, and productivity of America's public lands for the use and enjoyment of present and future generations," it is our mission to protect the health,

safety and welfare of our citizens. The BLM's failure to coordinate the DEIS with our City has placed us in a very difficult and dangerous situation should our needs not be considered. We implore the BLM to delay approval of the proposed action and instead prepare a supplemental statement which takes these concerns into account.

These comments are only a summary of our concerns and not a complete analysis of the conflicts we find in the DEIS. Also, please include as a part of our comments those submitted by the Garfield County Board of Commissioners.

Sincerely,

Randy Winkler
Mayor

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