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Consideration for Temporary Grazing Restriction and Temporary Use Restriction

Provide "equivalent acreage" for grazing and compensation to account for additional expenses and/or burdens placed on landowner (e.g. travel time/expense, cattle transport, temporary covenants & restrictions, etc.).

Equivalent Acreage – Calculated based on USDA Animal Unit Month (AUM) methodology. Use to illustrate the W Galen acreage 483 ac is equivalent to 142 ac of WS Creek corridor.

- Gochanour Parcel AUM = 1.12
- West Galen AUM = 0.33
- Ratio = 1.12 / 0.33 = 3.4
- Equivalent Acreage = 142 acres x 3.4 = **483 acres**

Travel time and expense – Calculations based on 8 miles travel (round trip, additional distance to West Galen compared to Gochanour parcel) to check cattle once per day during the period of May 1st to October 31st (184 days).

- Travel time = 8 miles / 45 mph x 184 days = 32.7 hours per year
- Mileage = 8 miles x 184 days = 1,472 miles per year
- Annual compensation = 32.7 hours x $15/hour + 1,472 miles x $0.56/mile = **$1,315**

Cattle Check – Compensation for time spent onsite checking on cattle.

- Annual compensation = 2 hours / day x 184 days x $15/hour = **$5,520**

Cattle transport – Commercial haul

- Trips = 30 pair per trip = 2 trips, twice per year results in 4 trips
- $250 per trip
- Annual compensation = 4 trips x $250 = **$1,000**

Covenants & Restrictions – Lump sum dollar amount to be considered based on the following:

- Prohibited grazing expected for 7 years (duration of construction plus veg. establishment period). Above items address this compensation.
- Grazing best management practices to be followed for perpetuity, regardless of ownership.
- Access for inspection and weed spraying for perpetuity, regardless of ownership.

Consideration for Permanent Covenants

Using the 2010 Stevens & Co appraisal value of $360,000
3% of the appraised value = $10,800

Total Annual Compensation to be: 483+/- acres and $7,835 per year. Assuming 7-years, total compensation is **$**54,845 plus $10,800 equals **$65,645.**

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