

Telluride Valley Floor

Open Space Management Plan



August 2009

Telluride Valley Floor Open Space Management Plan

August 2009

Prepared by—

Town of Telluride

with

ERO Resources Corporation

TABLE OF CONTENTS

Executive Summary	v
Overview	1
Background	1
Town Acquisition.....	2
Telluride Valley Floor Environmental Report.....	4
San Miguel Conservation Foundation/Conservation Easement.....	5
General Regulations	7
Management Plan	9
Management Zones	9
Adaptive Management Philosophy	9
Zone Designations	10
Wildlife Management Topics.....	19
General Wildlife Management	19
Beaver	20
Elk.....	22
Canada Lynx	24
Gunnison’s Prairie Dog	24
Specific Management Topics.....	26
Trails and Trail Use	26
Winter Activities	30
Water-based Uses.....	31
Roads	31
Structures	32
Fencing.....	33
Utilities.....	33
Cultural and Historic Resources	34
Noxious Weeds.....	38
Water Rights and Irrigation	38
Fire Management.....	39
Conditional Agricultural Uses	39
Temporary Festival Use.....	40
Environmental and Cultural Education/Activity Permitting Process	40
Restoration	42
Tailings Remediation	43
Monitoring	45
Trailheads/Signage	47
Administration and Stewardship.....	49
Plan Update and Amendment	51

TABLES

Table 1. Summary of Proposed Trailhead Facilities.....	49
--	----

FIGURES

Figure 1. Property Location	3
Figure 2. Management Zones	11
Figure 3. Wildlife Habitat and Management Zones.....	21
Figure 4. Property Features	28
Figure 5. Cultural and Historic Resources.....	36

APPENDICES

Appendix A: Summary of Planned Short and Long Range Activities
Appendix B: Conservation Easement
Appendix C: Public Process Summary

Photo Credits

Cover – John Richter
Back Cover and Page 22 – Nick Wolcott, Telluride Daily Planet
Pages 1, 13, 15, and 17 – Whit Richardson
Page 2 – Ben Knight
Page 4 – Aaron Eilers, ERC Inc.
Page 19 – Clint Henke, ERO Resources
Page 41 – Telluride Academy
Page 44 – Bill Mangle, ERO Resources

TELLURIDE TOWN COUNCIL

Stuart Fraser, Mayor

Andrea Benda, Mayor Pro Tem

Thom Carnevale

Lulu Hunt

Jill Masters

David Oyster

Bob Saunders

TELLURIDE OPEN SPACE COMMISSION

Roberta Peterson, Chairperson

Brian O'Neill, Vice Chair

Todd Creel

Jill Masters

Peter Mueller

Bob Saunders

Rick Silverman

Lary Simpson

Tom Taylor (past member)

Chris Chaffin (past member)

TELLURIDE TOWN STAFF

Frank Bell, Town Manager

Lance McDonald, Program Director

Kevin Geiger, Town Attorney

With the assistance of –

Bill Mangle, ERO Resources Corp.

SAN MIGUEL CONSERVATION FOUNDATION

Gary Hickcox, Executive Director

EXECUTIVE SUMMARY

The Valley Floor property is an important ecological resource, recreational amenity, and scenic gateway to the Town of Telluride. The 560-acre property contains diverse vegetation communities, wildlife habitat, and cultural and historical resources along a three-mile reach of the San Miguel River. The trails and paths on the property are a valued recreational resource, providing access to a unique natural area that defines the Telluride Valley.

The purpose of this Telluride Valley Floor Open Space Management Plan (Plan) is to provide philosophical and policy guidance for the Town's management of natural resources and public recreation on the property. Implementation of this plan will emphasize an adaptive management approach that uses monitoring, evaluation, and feedback to refine and improve management actions and decisions over time.

The property is classified into three management zones that vary in character, use, and environmental sensitivity. These management zone classifications establish the overall management emphasis, public use policies, and resource management priorities:

- **Zone 1 – Low Impact Recreation Area:** Disturbed or altered areas with low environmental sensitivity where recreational uses are highly suitable.
- **Zone 2 – Conservation Area:** Diverse habitat areas with moderate to high environmental sensitivity, where limited recreational uses should consider resource impacts.
- **Zone 3 – Habitat Protection Area:** Undisturbed habitat areas with the highest environmental sensitivity, where limited recreational uses should be carefully considered to minimize impacts.

This Plan articulates an overall management approach and detailed management policies on several topics, including the following:

- **Wildlife:** The Town will emphasize the protection of sensitive wildlife habitat areas while seeking to provide a diverse and functional mosaic of habitat for a variety of wildlife species. While a healthy and sustainable elk presence is valued, ongoing monitoring of population dynamics and habitat impacts will be used to identify long-term trends and potential management issues. The Town will work to contain the existing prairie dog population to its present location, minimizing dispersal into other areas.
- **Recreational Uses:** The Town will develop and implement a Trails Plan that provides recreational access and opportunities that are compatible with conservation values and long-term restoration. Compatible winter recreational uses and water-based uses will be permitted in a manner that minimizes impacts to wildlife, sensitive vegetation, and wildlife movement corridors.
- **Restoration and Tailings:** The Town will emphasize the planning and implementation of large-scale San Miguel River and tailings remediation efforts, while also completing small-scale projects as resources are available. The Town will work with the State of Colorado and relevant parties to develop and

implement a tailings remediation plan that also protects and enhances wildlife, habitat, recreational, and aesthetic values.

- **Monitoring:** The Town will use ongoing monitoring to document long-term trends and resource responses to management actions.

This Plan also provides specific guidance for roads, fencing, utilities, cultural and historic resources, noxious weeds, water rights and irrigation, temporary festival uses, and educational uses and activities.

TELLURIDE VALLEY FLOOR OPEN SPACE MANAGEMENT PLAN

AUGUST 2009

OVERVIEW

BACKGROUND

The Valley Floor Property (property) is located immediately west of the Town of Telluride (Town), a home rule municipality (population approximately 2,300), located in the western portion of the San Juan Mountain Range in San Miguel County, Colorado. The property (Figure 1) encompasses approximately 560 acres extending 2.75 miles west from Telluride, and is bordered to the south by United States Forest Service (USFS) land, to the west by State Highway 145, and to the north by the West Colorado Ave. Spur (Spur), a former State Highway right-of-way (ROW) annexed into the Town in 1995.

The property represents a significant portion of the Telluride Valley, defining Telluride's unique spirit and providing a breathtaking natural gateway to the Telluride community. The property possesses diverse vegetation communities, habitat for a variety of wildlife species, cultural resources, and hundreds of acres of wetlands and other natural habitat. The San Miguel River flows through the length of the property and is one of the few remaining undammed rivers in Colorado. Six perennial tributaries feed the river within the Valley Floor.



Although presently vacant, the first modern settlement in the Telluride Valley occurred on the property. Beginning in 1876, portions of the property were utilized for placer mining, and were settled primarily in a short-lived town called San Miguel City. During the next several years, the property experienced several physical alterations, some of which are present on the landscape. For instance, during the late 1880s, the naturally meandering San Miguel River was channelized and straightened to accommodate the Rio Grande Southern Railroad. Today, this historic railroad grade continues to bisect the property, confining and redirecting the river channel to the south, and disconnecting the river from much of its natural floodplain. Mining, dairy farming, and other agricultural uses continued on the property through the end of World War II. Recently, the property was used primarily as summer pasture for dairy cattle.

TOWN ACQUISITION

The acquisition of the Valley Floor represents a landmark event in Telluride's history. The acquisition was a passionate and emotional issue for the entire community, spanning several years and involving many community members.

The Telluride community has a long-standing commitment to open space protection, which was energized by the acquisition of the Bear Creek Preserve in 1993, and passage shortly thereafter of the "Twenty Percent Solution" by the electorate. The Twenty Percent Solution created the Telluride Open Space Fund and approved bonding authority deriving from 20 percent of all unencumbered town revenues, including property taxes, sales and use tax, real estate transfer tax, and business license fees. The Telluride Open Space Commission (Open Space Commission) was then established and appointed by the Telluride Town Council. In 1996, the Commission prepared the "Telluride Open Lands Plan," which, in addition to setting forth the Town's initial approaches to land protection and management, included an Action Plan with eight specific actions and strategies. Protection of the Valley Floor was the number one priority in the Action Plan.

In June 2000, representatives of the San Miguel Valley Corporation (SMVC) (then the property owner) made a presentation to the Mountain Village Town Council concerning annexing the property into Mountain Village. The Telluride Town Council responded shortly thereafter by voting unanimously to begin work on appraisals, legal descriptions, and boundary surveys of the property with the express purpose of condemning the property. After additional resolutions, ordinances, and a public vote in 2002 confirming the Telluride Town Council's decision to acquire the property through condemnation, the Town officially filed a Petition for Condemnation in District Court on March 14, 2004. In June 2004, Colorado Governor Bill Owens signed House Bill (H.B.)



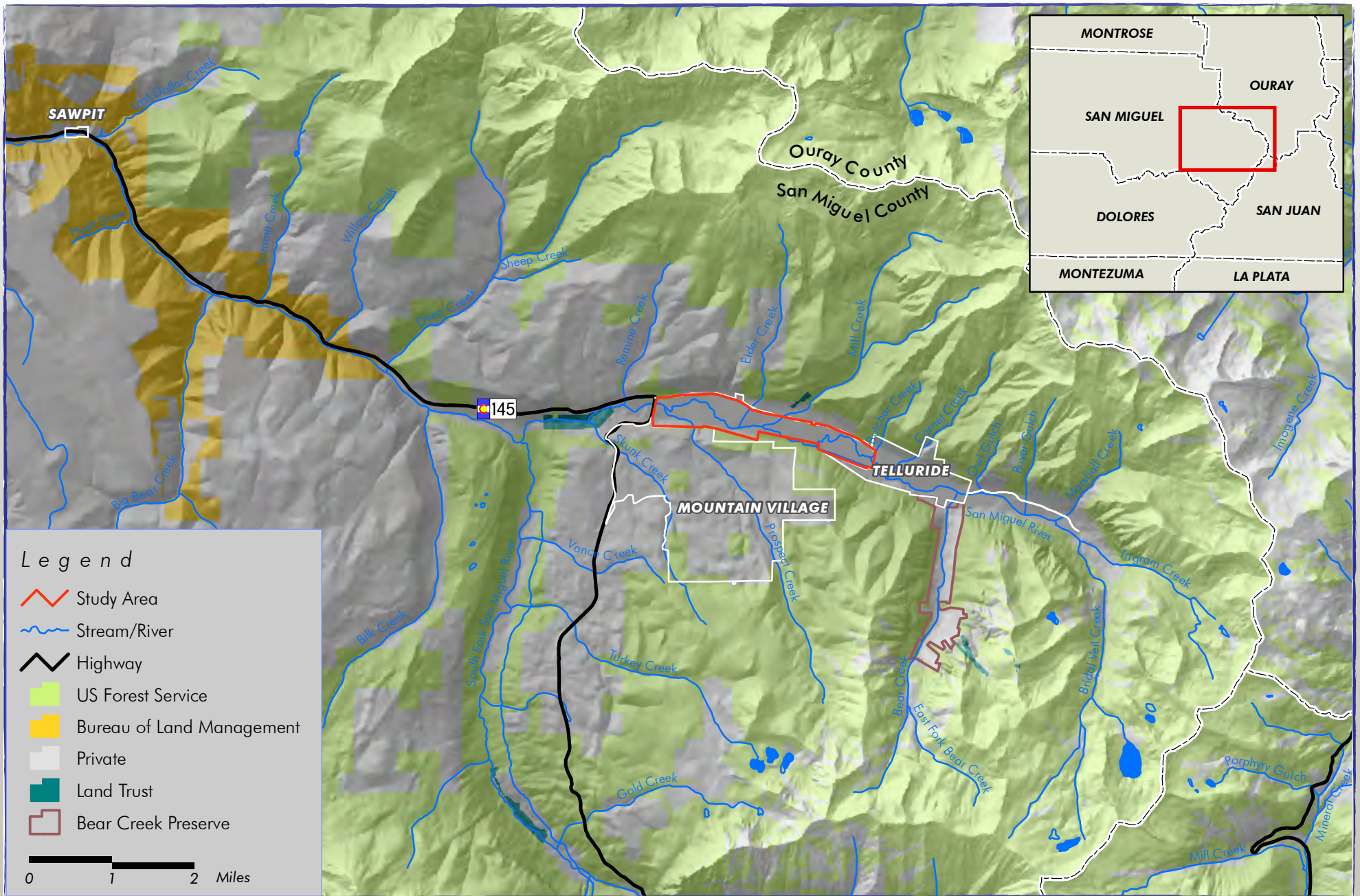


Figure 1
Property Location



Telluride Valley Floor
Open Space Management Plan



Ecological Resource Consultants, Inc.



04-1203, containing the so-called “Telluride Amendment.” The bill purported to outlaw home rule municipalities from condemning property outside their borders for open space preservation. On October 6, 2004, District Court Judge Charles Greenacre ruled H.B. 04-1203 unconstitutional, essentially nullifying the position of SMVC that the Town could not pursue condemnation. By February 2007, the trial to determine the value of the property concluded with the jury setting the value of the property at \$50 million. After the impressive \$25 million fund-raising contribution by citizens, organized by the Valley Floor Preservation Partners¹, the total \$50 million award for the property was deposited with the District Court by the Town on May 9, 2007.

A final legal battle was ongoing with SMVC’s filing of a Notice of Appeal with the Colorado Supreme Court to dismiss the lower court’s ruling, which held that H.B. 04-1203 was unconstitutional, and that the Town had the right to proceed with condemnation. On June 2, 2008, the Colorado Supreme Court rendered its decision 6 to 1 in favor of the Town, stating that the Town’s condemnation of the property was lawful “...because the General Assembly cannot deny Home Rule Municipalities the eminent domain power conferred to them in the constitution.” When Judge Greenacre issued the final Rule and Order for the Condemnation Case on June 20, 2008, possession of the property officially transferred to the Town.

TELLURIDE VALLEY FLOOR ENVIRONMENTAL REPORT

While the issuance of the final Rule and Order effectively ended the legal battle for ownership of the property, it ushered in the era of Town management. On June 24, 2008, the Town authorized Ordinance No. 1289 to formally extend municipal jurisdiction to the property and immediately establish a set of interim land use regulations for the property. Town Ordinance No. 1289 reaffirmed the Town’s commitment to preserve and protect the property for the purpose of public open space, and authorized immediate restrictions on public use until the completion of an environmental report. The Telluride Valley Floor Environmental Report (Environmental Report) was described as “a comprehensive assessment of the existing natural conditions on the Valley Floor...a key element that must be completed before the imposition of the Valley Floor conservation easement”

In late June 2008, the Town contracted with Ecological Resources Consultants, Inc., teamed with ERO Resources Corporation, to prepare the Environmental Report. The Environmental Report was completed in March 2009, and provides a comprehensive understanding of the existing conditions, structure, and



¹ A 503(c)(3) organization established to support the Valley Floor acquisition and preservation.

function of the property's ecosystem. The Environmental Report also provides a scientific assessment of the property that can be used by the Town in ongoing and future policy decisions regarding management, maintenance, and restoration. The Environmental Report provides a foundation for the development of this Plan, is a technical reference for the resources and issues on the property, and will continue to be a resource for ongoing management of the property.

SAN MIGUEL CONSERVATION FOUNDATION/CONSERVATION EASEMENT

In 2008, the Town Council made the decision to donate the conservation easement for the property to the San Miguel Conservation Foundation (SMCF), a local 501[c](3) land trust formed in 1993 when it purchased 320 acres of land in Bear Creek Canyon. SMCF subsequently donated the property to the Town to create the Bear Creek Preserve. Since that time, SMCF has partnered with the Town on numerous open space acquisitions. In addition to its work with the Town, SMCF holds easements on more than 7,000 acres of land throughout San Miguel County.

A conservation easement is a voluntary legal agreement between a property owner and a qualified conservation organization. The terms of the easement define the type, amount, and location of development that may take place on the property. The easement also defines the type of activities that are permitted on the property and activities that are disallowed. The easement protects land with conservation values that are significant to the public such as wildlife and/or plant habitat, scenic open space, public recreation, and historic preservation.

TELLURIDE VALLEY FLOOR OPEN SPACE
MANAGEMENT PLAN

GENERAL REGULATIONS

Notwithstanding the policies set forth herein, the following regulations, many of which are established in the Conservation Easement for the property, are applicable to the property:

- 1) The following activities and uses are hereby prohibited by this Plan:
 - Commercial or industrial uses
 - Overnight camping
 - Biking, except on designated trails
 - Golf-related activities and the playing of golf
 - Athletic or playing fields
 - Collecting, geo-caching, removing, destroying, or defacing any natural or manmade objects including cultural resources
 - Discharging or carrying firearms, crossbows, fireworks, pellet guns, paint guns, or projectile weapons of any kind (except law enforcement officials and as allowed to carry out a wildlife management program)
 - Fires
 - Domesticated animals including dogs
 - Feeding, disturbing, trapping, hunting, or killing wildlife (except as allowed to carry out a wildlife management program)
 - Motorized vehicles, including motorized hang gliders, paragliders, hot air balloon landing or airplanes; except for authorized personnel when necessary for patrol, rescue, emergency, maintenance, restoration and remediation activities, and cleanup and removal of refuse and rubbish, as authorized by and in accordance with the Plan or as approved for any temporary festival use
 - Disorderly conduct (including amplified sound), and activities that unduly interfere with the health, safety, and welfare of wildlife, users, or the neighbors in the area, or that create a nuisance or hazard to the use and safety of persons using or neighboring such areas
 - Construction or reconstruction of any structure, except those identified in the Plan
 - Construction of fences, except for as set forth in *Fencing* section
 - Timber harvesting; except trees may be cut and/or removed to control insects and disease, to control invasive nonnative species, to mitigate wildfire danger, and to prevent personal injury and property damage, in accordance with the Plan
 - Grazing of livestock unless provided for in the Plan for vegetation/habitat improvement
 - Mining/Surface Alteration, and any activity related to the exploration for, or development or extraction of, soil, sand, gravel, rock, lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, peat, oil, natural gas, fuel, or any other mineral or hydrocarbon substance; unless associated with restoration, trails, or cultural resource interpretative projects authorized pursuant to the Plan. Removal of gravel, rock, and soil for river channel maintenance or restructuring of the river channel and sediment detention facility is subject to SMCF's prior written approval (except as required to implement and maintain the Plan, and for

emergency flood and erosion activities). The creation, preservation, or enhancement of wetlands in addition to those described in the Plan is subject to SMCF's approval.

- Draining, filling, dredging, or diking a wetland area located on the property unless authorized by and in accordance with the Plan, and local, state, and federal law
 - Dumping or uncontained accumulation of any kind of trash, refuse, debris, fill material, or hazardous material, as that term is defined under any applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation, as may be amended from time to time
 - Any uses or activity that causes or is likely to cause significant soil degradation, erosion, or significant pollution of any surface or subsurface waters
 - Paving or otherwise covering the property with concrete, asphalt, or any other paving material without the advance written permission of SMCF
 - Wetland mitigation for any private development. Small-scale (less than .5 acre) mitigation for public projects on adjacent lands may be permitted pursuant to the Plan.
- 2) The Town may temporarily close areas to public use for repairs or due to wildlife, vegetation, and/or public safety concerns. It shall be unlawful for the public to enter such areas.

MANAGEMENT PLAN

The purpose of this section is to establish and document the Town's preferred approach for managing natural resources and public recreation on the Valley Floor. This section focuses on overarching management philosophies, management of key resources and issues, and specific resource topics. The Plan is presented in three subsections:

1. **Management Zone Designations** – Includes the delineation and descriptions of the three management zones for the property, and the rationale for those designations.
2. **Wildlife Management Topics** – Includes detailed descriptions of management policies for key wildlife species that are important due to their sensitivity, public interest, or the potential affect on other resource management policies and areas.
3. **Specific Management Topics** – Includes discussions of management policies for specific topics related to property infrastructure and administration.

Each management topic contains a description of the Town's overall management philosophy, as well as a list of management policies and priorities pertaining to that topic. The management policies and priorities documented in this Plan are based on the findings and recommendations of the Environmental Report, public input, and decisions made by the Town and Open Space Commission.

MANAGEMENT ZONES

ADAPTIVE MANAGEMENT PHILOSOPHY

The Town desires to employ an adaptive approach to the property's management to identify potential issues and determine corrective measures, as needed. Adaptive management is an incremental approach that emphasizes monitoring, evaluation, and feedback. Knowledge of a resource, gained by monitoring management actions, is evaluated and incorporated into future management actions and decisions. This feedback loop facilitates effective management that remains connected to the changing resources on the property. Key steps in the adaptive management process include:

- Establishing a clear set of management policies and objectives;
- Implementing management actions to address specific policies;
- Monitoring to measure the effectiveness/consequences of management actions; and
- Incorporating knowledge gained from monitoring and revising management policies and actions accordingly.

Adaptive management will require that the Town periodically plan, re-plan, refine management approaches and policies, and adapt resource management actions based on a growing understanding of the resources being managed, and how those resources respond to changes on the property. Accordingly, the Conservation Easement requires the Town and SMCF to commit to update the Plan every 4 years, or sooner if it is determined to be in the best interest of the conservation values of the property.

ZONE DESIGNATIONS

The Valley Floor Management Zones (management zones) define the management emphasis for particular areas, and guide short- and long-term management policies and uses therein. The primary purpose of the zone system is to ensure the preservation and protection of the conservation values of the property such as open space, ecological function, and natural and important habitat features, while also permitting appropriate recreational and educational uses that do not unduly compromise such values. Although it is important to view and manage the property as a single, interconnected unit, the establishment of management zones allows for greater flexibility in accommodating desired low impact recreational uses or resource management in areas where it is appropriate, while emphasizing resource conservation in more sensitive areas.

From an ecological perspective, the general purposes of management zones are to achieve the following:

- Focus public use in existing disturbance corridors and areas with lower environmental sensitivity;
- Minimize public use in areas with higher environmental sensitivity;
- Reduce impacts of public use on wildlife and habitat;
- Minimize disturbances to wildlife habitat and movement corridors; and
- Retain diverse undisturbed habitat types to provide a refuge for a variety of wildlife species.

The zone boundaries are generally derived from the Environmental Sensitivity values set forth in the Environmental Report. Zone 1 is predominately comprised of areas of low environmental sensitivity, encompassing highly disturbed or altered areas that are not sensitive to potential disturbances. Zone 2 possesses some areas of high and low environmental sensitivity, but generally is comprised of areas of medium environmental sensitivity. Zone 3 generally possesses areas of high ecological value and environmental sensitivity, warranting a management emphasis on maintaining ecological integrity through conservation and preservation. These areas of high environmental sensitivity have unique physical characteristics and provide significant functions to the ecosystem.

In addition to the sensitivity values, the management zone boundaries also are influenced by factors such as known wildlife populations and locations (i.e., prairie dog colony and beaver areas); wildlife movement corridors; and the presence of cultural or historical resources. Finally, for purposes of management efficiency and public understandability, zone boundaries in some instances follow large-scale land features and existing fence lines. Management zone boundaries can be modified over time, based on new information gained through monitoring and adaptive management, changes in management priorities, or other changed circumstances. Management zones, and their corresponding public use and resource management policies, are described below and are shown in Figure 2.

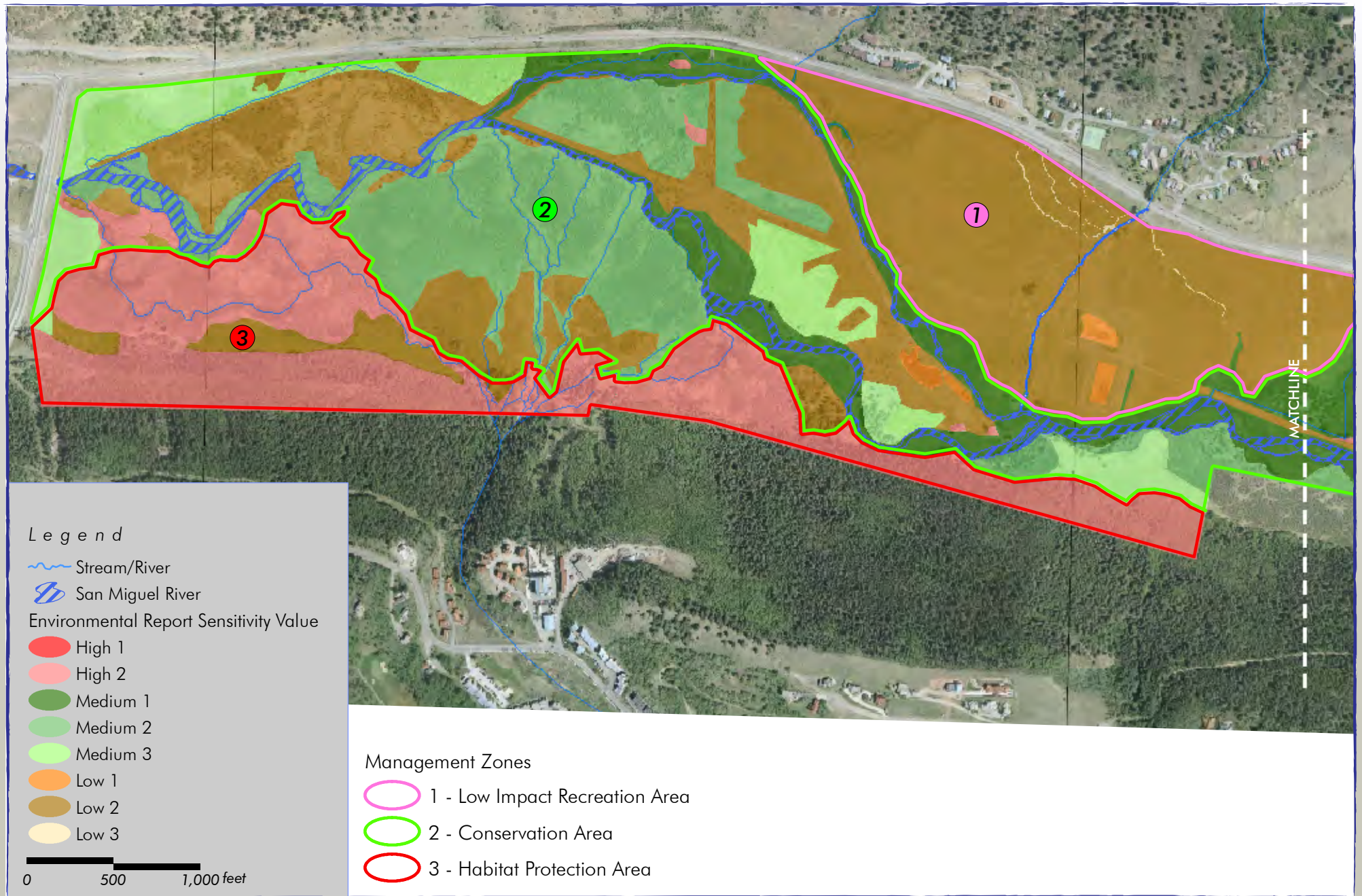


Figure 2

Management Zones
(West)

August 2009



Telluride Valley Floor
Open Space Management Plan



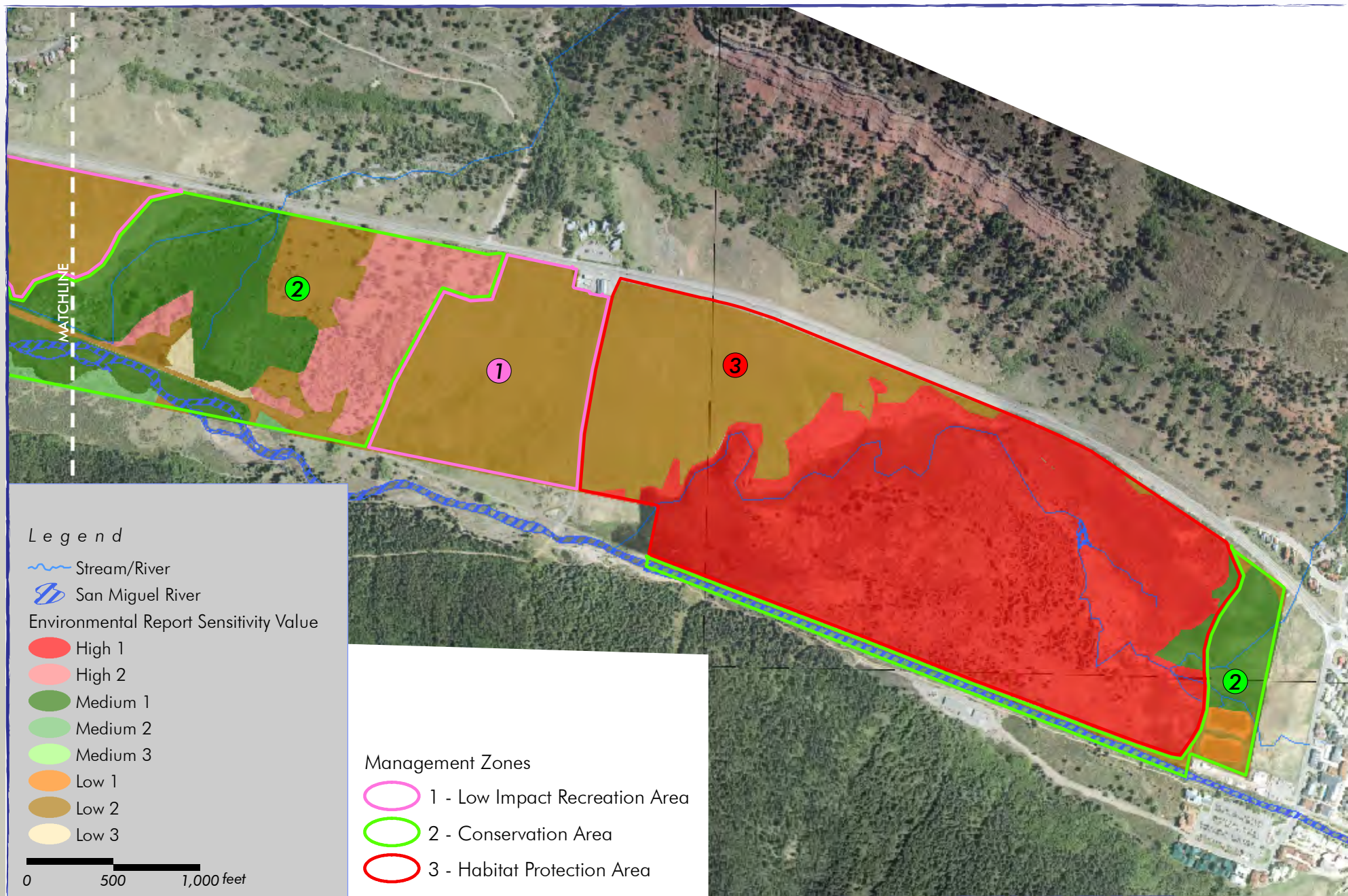


Figure 2

*Management Zones
(East)*

August 2009



Telluride Valley Floor
Open Space Management Plan



Zone 1: Low Impact Recreation Area

Zone 1 encompasses significant portions of the Mill and Eider Creek alluvial fans, and is generally comprised of upland, open pastures, with mixed grass-herbaceous habitat. These two areas are characterized by low environmental sensitivity, having experienced significant disturbance from their natural condition through use as agricultural fields and a portion of the eastern section was the former site of San Miguel City. Though altered from its natural condition, the present condition of the zone contributes strongly to the overall historic setting of the Telluride Valley and, in contrast to other management zones, contains a majority of the significant historic and cultural resources on the property. The present condition also provides a site for desired low impact recreational uses. Although restoring these areas to native upland vegetation communities could result in long-term ecological benefits, such a major environmental restoration effort is not a priority at this time.

Management Approach

The management approach for the Low Impact Recreation Area Zone 1 is to preserve the pastoral historic setting of the Valley Floor, while allowing for compatible recreational uses and other active management requirements.



Management Policies

- Permit the following low impact recreational uses:
 - a. Walking, running, and hiking
 - b. Bicycling on designated trails only
 - c. Hang/paraglider and hot air balloon landing that does not require the use of vehicles
 - d. Other low impact recreational uses not requiring improvement of the land, facilities, or placement of permanent structures
- Permit cross-country skiing per annual operational plan (see *Winter Activities* section)
- Permit helicopter and vehicular use directly west of Boomerang Road and south of the gas station associated with off-site emergencies
- Construct limited new trails consistent with an approved Trails Plan for the property
- Continue irrigation practices to recharge and improve wetland functioning in adjacent zones, preserve the historic pasture setting, and ensure quality ground cover
- Manage weeds as a priority maintenance activity (see *Noxious Weeds* section)
- Pursue restoration of Eider Creek consistent with restoration plans for the San Miguel River (see *Restoration* section)
- Protect, preserve, and interpret historic and cultural resources (see *Cultural and Historic Resources* section)
- Utilize or remove non-significant structures, and remove non-historic debris
- Permit agricultural uses pursuant to the *Conditional Agricultural Uses* section
- Permit environmental and cultural education activities (see *Environmental and Cultural Educational/Activity Permitting Process* section)
- Permit temporary associated uses of major festivals held within the Town of Telluride (see *Temporary Festival Uses* section)
- Monitor impacts and other changes associated with recreational uses and other activities (see *Monitoring* section)

Zone 2: Conservation Area

Zone 2 is the largest zone within the property, with most vegetative communities and habitat types represented. The Conservation Area Zone 2 also includes the entire San Miguel River corridor through the property. Most of this zone is comprised of areas of medium environmental sensitivity, although areas of high and low sensitivity are present. The most significant cultural and historic resource in the zone is the railroad grade.

Zone 2 also contains the most ecologically disturbed areas on the property, and offers the greatest potential and opportunity for large-scale restoration efforts. These disturbed areas include reaches of channelized river, sewer lagoons, manmade berms, debris piles, and areas of mine tailings (the most significant of which is the 26-acre Society Turn Tailings Pile #1 on the west end of the property).

Portions of Zone 2 are suitable for many of the low impact recreational opportunities desired on the property. However, given the diverse character of this zone, approval of recreational uses should consider impacts to, and protection of, areas with high environmental sensitivity, wildlife habitat, and wildlife corridors. For example, measures

such as seasonal closures may be employed, and emphasis on active monitoring impacts from recreational use will be an ongoing management activity.

Management Approach

The management approach for the Conservation Area Zone 2 is to protect important resource and habitat areas and restore degraded areas, while permitting limited low impact recreational uses.

Management Policies

- Permit the following limited recreational uses:
 - a. Walking, running, and hiking
 - b. Bicycling on designated trails only
 - c. Noncommercial water-based uses such as fishing, boating, and tubing pursuant to policies on *Water-based Uses*
 - d. Cross-country skiing per an approved operational plan, and limited to areas of low and medium environmental sensitivity with particular attention given to avoiding habitat fragmentation and movement corridors
- Limit or otherwise discourage off-trail recreational use in areas of high environmental sensitivity and identified wildlife corridors
- Place small directional signs encouraging users to stay on trails in areas of high environmental sensitivity and sensitive riparian habitats
- Ensure any new trail construction is consistent with an approved Trails Plan, with particular attention to avoiding habitat fragmentation
- Permit environmental and cultural education activities (see *Environmental and Cultural Education/Activity Permitting Process* section)



- Institute seasonal closures as needed to protect specific wildlife or habitats (such as elk calving areas or raptor nests, or soil erosion concerns)
- Implement the following restoration priorities (see also *Restoration* section):
 - a. Tailings Pile # 1
 - b. San Miguel River and its tributaries
 - c. Miscellaneous Areas
- Protect, preserve, and interpret the historic and cultural resources within the zone (see *Cultural and Historic Resources* section)
- Preserve the railroad grade (subject to minor modification) pursuant to an approved restoration project
- Remove any non-significant structures that are not used for maintenance and storage. Remove remaining non-historic debris.
- Monitor impacts resulting from permitted recreational uses, particularly areas of high environmental sensitivity, the river and stream corridors, wildlife habitat and movement corridors, and adjacent portions of Zone 3. Evaluate and adjust management policies and strategies as needed.

Zone 3: Habitat Protection Area (HPA)

Zone 3 contains the property's most environmentally sensitive areas. Accordingly, the management approach for the zone is to emphasize conservation and preservation, and to maintain and protect ecological integrity. Off-trail human use of all types will be actively discouraged in these areas, and major restoration efforts are not contemplated in the short term given the land's present natural condition. This zone also includes a Gunnison's prairie dog colony, many portions of identified Canada lynx habitat, and major vegetated habitat corridors. Although mostly a natural area, this zone does contain a few significant cultural and historic resources that should be maintained, and includes small areas of low or medium environmental sensitivity.

The Habitat Protection Area Zone 3 will receive the highest degree of protection from public use and other disturbances, and such disturbances should be minimized to the greatest extent possible. However, this does not mean that specific disturbances (such as trails or restoration efforts) should be absolutely prohibited. Instead, any disturbances in this zone must be carefully planned and managed to minimize short- and long-term impacts to the specific ecological values and functions that make those areas important.

Management Approach

The management approach for the Habitat Protection Areas Zone 3 is to protect areas of high environmental sensitivity while permitting limited recreational uses and restoration where suitable.

Management Policies

- Permit the following recreational uses:
 - a. Walking, running, and hiking; in areas of high environmental sensitivity, such uses are encouraged to occur on designated trails only
 - b. Bicycling on designated trails only
 - c. Limited cross-country skiing on areas of low and medium environmental sensitivity, with particular attention given to avoiding habitat fragmentation and movement corridors per an approved operational plan. Carefully consider and evaluate crossings of any areas of high environmental sensitivity, and ensure short- and long-term impacts to the specific ecological values and functions are minimized.
- Actively discourage off-trail use and visitation, including on-ground, off-trail use associated with fishing. Consider prohibiting all off-trail use if unacceptable impacts occur.
- Allow limited off-trail use for hang/paraglider landing on the northern portion of the prairie dog colony (proximate to the gate)
- Utilize small directional signs informing users to stay on trails, and clearly identify HPAs at major trailheads
- Maintain the existing River Trail, including the north and south branches west of Prospect Creek. In the short term, consider constructing or modifying minor stream crossings to encourage users to stay on the trail, thereby minimizing off-trail impacts, particularly at the Prospect Creek crossing/Missouri Ditch location.
- Consider the adequacy of the existing River Trail as part of the Trails Plan for the property. Any major rerouting, permanent closure, or replacement of the River Trail should be based on Trails Plan recommendation.



- Carefully consider major restoration efforts, weighing ecological benefits against impacts
- Follow the Containment approach for prairie dog management pursuant to the *Gunnison's Prairie Dog* section
- Continue irrigation practices to recharge and improve wetlands functioning
- Carefully consider and limit visitation by environmental education groups (see *Environmental and Cultural Education/Special Activities Permitting Process*)
- Perform seasonal closures as needed to protect specific wildlife or habitats (such as elk calving areas or raptor nests) and to prevent soil erosion
- Preserve and protect the Missouri Ditch and Race Track pursuant to the *Cultural and Historic Resources* section
- Monitor impacts resulting from recreational use, particularly in areas of high environmental sensitivity and wildlife habitat and movement corridors; evaluate and adjust management policies and strategies as needed

WILDLIFE MANAGEMENT TOPICS

GENERAL WILDLIFE MANAGEMENT

As one of the largest subalpine wetland areas in the region, the property provides habitat for a variety of wildlife species. These wildlife species include elk and mule deer; carnivores such as black bear, mountain lion, coyote, bobcat, and red fox; small mammals including Gunnison’s prairie dog, marmot, and beaver; and a variety of songbirds, waterfowl, and raptor species. Species with specific management requirements, or whose management may affect other species or resources, are discussed in greater detail below. Specific wildlife habitat areas and uses are shown on Figure 3.

Management Approach

The Town will follow an “ecosystem approach” to managing and conserving general wildlife, as recommended in the Environmental Report. This approach assumes that as long as enough suitable habitat exists, most wildlife species will find and exploit those areas and will continue to persist over the long term. The implementation of management zone designations, the thoughtful placement and management of public uses, and other resource management actions will be utilized to ensure that the property continues to provide a diverse and functional mosaic of habitat for a variety of species over the long term.



Management Policies

Management policies for general wildlife species include:

- Monitor and document the presence, location, and dynamics of various wildlife species, as well as management conflicts or issues to be addressed
- Minimize disturbance and fragmentation of wildlife habitat, retaining diverse undisturbed habitat types for a variety of species
- Minimize disturbances to movement corridors for broad-ranging species such as elk, black bear, and Canada lynx
- Work with the Colorado Division of Wildlife to communicate wildlife information and collaborate on shared wildlife management priorities

BEAVER

The streams and wetland habitats of the property are a dynamic system that will continue to change in response to shifts in hydrology, vegetation, climate, and management. Beaver are a dynamic and important component of the overall ecological function of the property as many of the wetland and open water habitats are sustained by their activities. As long as other important components of the system, including hydrology, water quality, and native vegetation communities continue to function in an active fashion, the property will continue to provide ample habitat to allow beaver populations to thrive.

Presently, the property is home to several families of beaver (see Figure 3). Beaver contribute to overall ecosystem diversity and function by raising the water table; stimulating willow growth; improving water quality; maintaining habitat for invertebrates, fish, amphibians, and songbirds that favor willows and other riparian shrubs; and maintaining foraging habitat for various predators. Beaver can also have negative impacts by altering vegetation community types; removing large riparian trees; increasing sediment accumulation within stream systems; eliminating spawning habitat; increasing aquatic nuisance species habitat (i.e., whirling disease); increasing flooding potential, which can cause damage to underground utilities or adjacent properties; and disrupting irrigation and drainage facilities. Another beaver management consideration is the potential for heavy concentrations of large mammals such as elk (due to a lack of natural predators) or livestock to disrupt the relationship between beaver and willows.

Future river and habitat restoration activities on the property have the potential to disrupt the existing beaver population and habitat due to changes in stream channels and hydrology, construction activity, and possibly the physical removal of beaver dams and lodges.

Management Approach

The Town will pursue an “ecosystem approach” to beaver management. This approach assumes that as long as enough suitable habitat exists, beaver will find and exploit those areas and beaver populations will persist over the long term. This will occur despite short-term or localized human intervention (such as river restoration or relocation of individual beaver from problem areas). While some individual beaver may be adversely affected by human intervention or disturbance, the population as a whole will continue to thrive and adapt to changing conditions.

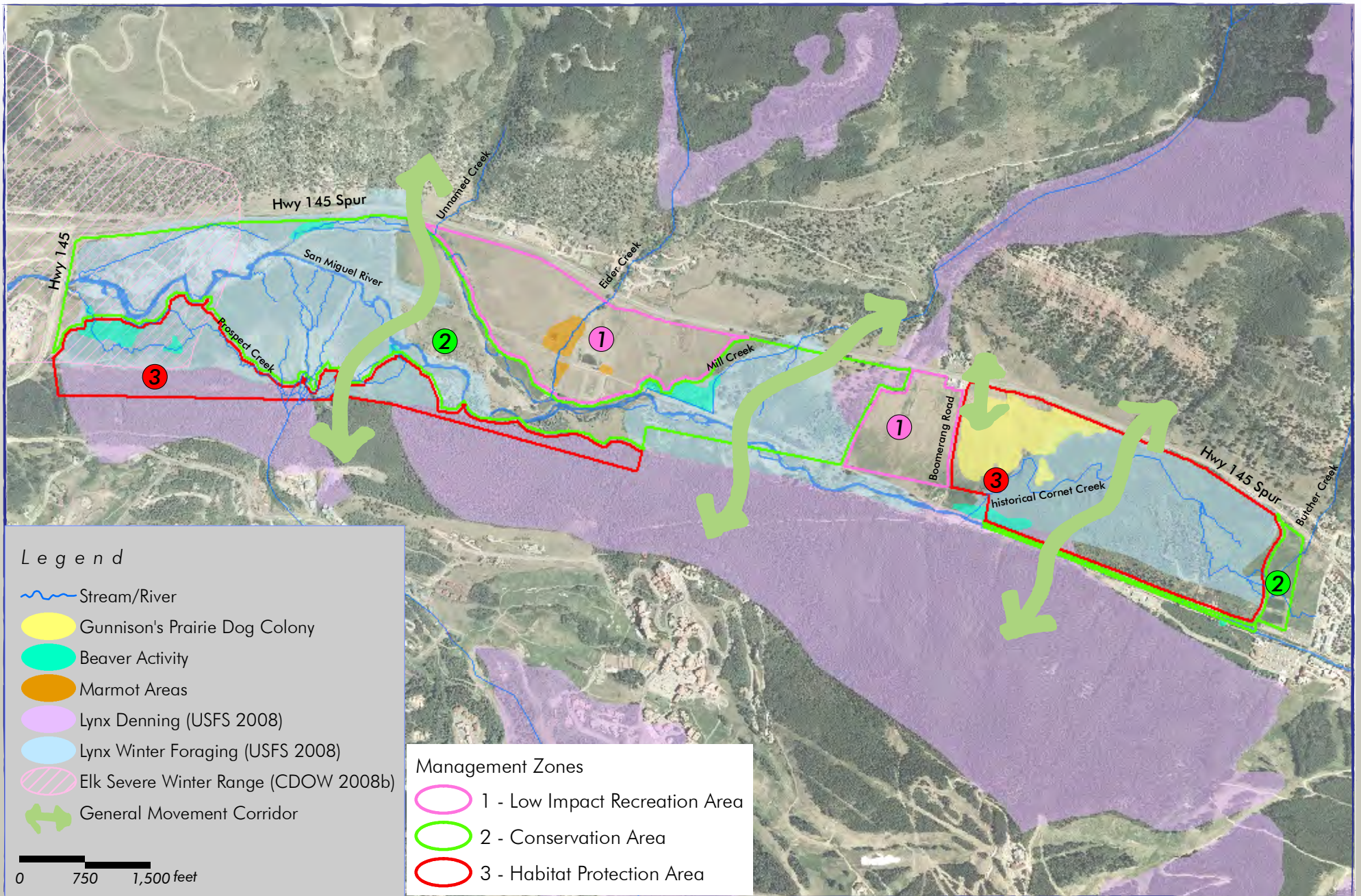


Figure 3

Wildlife Habitat and Management Zones

August 2009



Telluride Valley Floor
Open Space Management Plan



Ecological Resource Consultants, Inc.



Management Policies

Management policies for beaver include:

- Maintain a stable beaver-willow community
- Monitor beaver locations, habitat dynamics, and negative impacts from beaver
- If negative impacts from beaver occur, consult with CDOW to identify options for mitigating the specific problem
- Emphasize relocation of problematic beaver over removal
- Monitor impacts associated with elk and other large mammals relative to suitability and availability of willow as beaver food
- Consult with CDOW to determine solutions that respect and are consistent with the conservation values of the property if negative impacts occur from elk use
- Relocate, as necessary, affected beaver to suitable locations within the property or regional ecosystem during restoration, trail, or utility projects

ELK

In recent years, the property has been utilized as summer range and winter range for a small “semi-resident” elk herd. During summer 2008, this herd consisted of about 50 animals, primarily cows and calves. By the end of September, the herd had moved to more traditional winter ranges. This pattern of summer use began within the past few years after livestock were removed from the property. Now, the elk herd has become an icon for the property that is valued by many residents and visitors.

Over-population of elk in willow-riparian habitats can disrupt the relationship between beaver and willow, which can degrade willow habitat and ultimately affect habitat for other species, including migratory songbirds. Currently, the level of use by elk has not



resulted in major habitat impacts, and does not constitute an immediate management concern. However, should elk numbers increase over the next few years, impacts to willow-riparian habitat could increase, along with other management challenges (including recreation conflicts and increased vehicle collisions on adjacent roads).

In addition, long-term patterns of elk use could change over time in response to the introduction of public use, habitat management (including irrigation), or restoration. Since little is known about long-term dynamics of elk on the property, a monitoring and adaptive management approach is recommended for elk on the property. The San Miguel County Land Use Code prohibits commercial recreational uses within severe winter ranges for elk, and any dogs within ½ mile of severe winter ranges, as mapped by CDOW (see Figure 3). The prohibition on recreational uses occurs between December 1 and April 15; no seasonal guidelines are set for dog prohibitions.

Management Approach

The management approach for elk on the Valley Floor is to allow and conserve a healthy and sustainable presence of elk on the property, while closely monitoring population dynamics and habitat impacts to identify long-term trends and management issues. Should elk-related management issues arise, the Town will work with CDOW to identify and implement appropriate management responses.

Management Policies

Management policies for elk are as follows:

- Improve understanding of trends through monitoring and recording the following:
 - a. Increased willow utilization on both the periphery and interior of willow patches
 - b. Consider utilizing exclosure fences to monitor differences in willow utilization and growth
 - c. Seasonal behavior or movements to or from the property
 - d. Population size and changes through the seasons
 - e. Mating or calving activity
 - f. Incidences of, or changes in, elk conflicts with visitors to the property
 - g. Incidences of, or changes in, elk/vehicle collisions along the Spur
- Work with the CDOW to identify regional management objectives, concerns related to the property, potential management response tools, and ongoing lines of communication and coordination
- Evaluate elk findings to identify issues and potential management responses after 2 to 5 years of monitoring; coordinate findings and responses with CDOW
- Consider seasonal closures of particular trails or public use areas to ensure the safety and viability of elk on the property, particularly during calving season
- Consider implementing the following active management tools, as needed, to manage elk on the property:
 - a. Exclosure fencing
 - b. Hazing
 - c. Off-site traffic infrastructure
 - d. Fencing
 - e. Culling
 - f. Seasonal trail closures or public use restrictions

CANADA LYNX

The Canada lynx (lynx) is listed as threatened under the Endangered Species Act (ESA), and is considered endangered by the State of Colorado. While the property does not provide primary lynx habitat (higher elevation mature to late-successional spruce-fir forests), it does provide secondary foraging habitat and key movement corridors through the Telluride Valley. Lynx tend to disperse more widely and use secondary habitats in the summer months, while in the winter they predominantly use their primary habitat.

While the long-term conservation of the property is the greatest contributor to the protection of lynx habitat and use patterns, the placement and management of recreational uses should be cognizant of, and minimize impacts to, lynx use areas and corridors. Since most lynx foraging activity occurs at night, moderate levels of daytime public use in these areas is not likely to adversely affect lynx use. Because of this nocturnal behavior, night grooming activities associated with winter use will be limited. Any activity on the property that would require federal wetlands permitting (ranging from the installation of a pedestrian bridge to large-scale restoration) would likely require consultation with the USFWS. Ongoing conservation of lynx habitat and movement corridors will minimize impacts to the species and could potentially reduce future regulatory requirements under the ESA.

Management Approach

The Town will use an “ecosystem approach” to lynx habitat conservation on the property, emphasizing the protection of lynx habitat and movement corridors.

Management Policies

- Consider lynx foraging and movement habitat when developing and implementing policies and boundaries for all management zones
- Minimize disturbances to movement corridors for lynx when planning and implementing new trails and locating winter trails and routes
- Monitor potential lynx activity on the property using snow track counts and other surveys
- Coordinate with CDOW to maintain an understanding of the latest science, population, and management trends regarding lynx

GUNNISON’S PRAIRIE DOG

The property is home to a 23-acre colony of Gunnison’s prairie dog, which appears to be a healthy viable population with a relatively high density of burrows. The species is relatively new to the property, having arrived approximately 4 years ago. The species likely originated from the existing colony on the grassy slopes to the north of the property, across the Spur. If left unchecked by human management or natural controls, the prairie dog population could expand to the west, colonizing another approximately 40 acres of available grassland habitat on the property. Overpopulated colonies can have adverse effects on the composition and quality of vegetation by stimulating growth of nonnative annuals such as cheatgrass.

In February 2008, the USFWS listed Gunnison’s prairie dog in the northeastern/montane portions of its range as a candidate for listing as threatened or endangered. According to the USFWS, prairie dogs within the property are not within the northeastern part of the range and are currently not considered a candidate species. Gunnison’s prairie dog is

not listed as a state endangered, threatened, or species of concern in Colorado. While future changes in their regulatory status would not preclude any management approach, including extermination, ecological value of the species should be considered before such actions are taken.

With cooperation from the Town, CDOW is currently studying the 23-acre colony as part of a southern regional study (Southwestern IPA) to determine the genetic makeup, confirm the listing status, and provide information to be incorporated into the statewide conservation plan. The goal of the statewide plan is to implement conservation strategies to facilitate long-term viability and preclude the need for protection under the ESA.

Management Approach

The Town will use a “Containment” approach, as described in the Environmental Report, to guide management of Gunnison’s prairie dog on the property. This approach emphasizes the containment of the existing prairie dog colony to its present location on the east side of Boomerang Road, minimizing dispersal into other areas. Any new colony will be actively removed. The Containment approach recognizes and balances other conservation and management goals for the Property, including habitat needs for other wildlife species, vegetation and weed management, aesthetics and scenic quality, public recreation, and public sentiment expressed during the educational forums and meetings during the Environmental Report process.

Management Policies

- Emphasize prairie dog conservation within the existing colony by minimizing public access and use, direct flood irrigation, and other disturbances
- Contain the existing prairie dog colony to its general present location east of Boomerang Road. Employ management actions as necessary, including barrier fencing or barrier planting along Boomerang Road, strategic flood irrigation to the west of Boomerang Road, and other management techniques to prevent prairie dog dispersal to the west.
- Use active measures to relocate or remove new colonies should they begin to establish in other areas
- Continue to monitor colony size, expansion, habitat conditions, and responses to other uses, and adaptively manage the colony over time
- Continue to work with CDOW and USFWS on ongoing studies to learn about Gunnison’s prairie dog management and conservation, and allow the property population to benefit from the conservation of the entire species
- Install an interpretative display near Boomerang Road to describe the species, its habitat, and its role in the ecosystem

SPECIFIC MANAGEMENT TOPICS

This section provides guidance for the management of public recreational uses and physical features and facilities, including trails, utilities, fencing, and irrigation ditches. These features are shown on Figure 4.

TRAILS AND TRAIL USE

Management of the property presents opportunities to establish new trails and reconfigure existing trails to improve recreational opportunities and minimize environmental disturbances. In addition to the potential wildlife impacts described in the Environmental Report, the introduction of trails and visitors may also have localized impacts on soils, vegetation, and water quality. Prior to any major trail work, including construction, rerouting or trail closure, an overall Trails Plan will be undertaken for the entire property.

Dogs are not permitted on the property. However, dogs are allowed on Boomerang Road (a county right-of way) and the following off-site trails and adjacent properties: the River Trail within the Town of Telluride and USFS properties; the bike path along the Spur, and Pearl Property directly east of the property (see Figure 4).

Management Approach

Develop and implement a Trails Plan that provides quality recreational access and opportunities in a manner that is compatible with the conservation values of the property and long-term restoration plans.

Management Policies

- Identify and implement maintenance or minor re-routes on existing trails to address immediate management needs (such as the Prospect Creek crossing) over the short term
- Develop an overall Trails Plan for the property that considers existing routes, new trails, reroutes, and trail closures
- Implement major rerouting, permanent closure, or replacement of the River Trail only per recommendations of an overall Trails Plan for the property
- Ensure that the Trails Plan is coordinated with a Restoration Plan for the property
- Incorporate the following general environmental guidelines when developing the Trails Plan:
 - a. Minimize public use (summer or winter) in areas with high environmental sensitivity, and carefully consider potential short- and long-term impacts to specific ecological values and functions
 - b. Focus public use in existing disturbance corridors and areas with lower environmental sensitivity
 - c. Consider a zone of influence of 50 to 100 meters (164 to 328 feet) from public use areas where wildlife may be affected
 - d. Minimize disturbances to movement corridors for broad-ranging species such as elk, black bear, and Canada lynx
 - e. Minimize disturbance and habitat fragmentation to known wildlife populations
 - f. Retain diverse undisturbed habitat types to provide a refuge for a variety of species

- g. Provide reasonable and enjoyable trail access to desired destinations (e.g., viewpoints and river banks) to avoid the creation of nondesignated trails to those areas
 - h. Use thoughtful and creative planning to provide quality trail experiences while minimizing redundant or unnecessary trails
 - i. Maintain visual or physical barriers (e.g., trees, water bodies, and ridges) between trail corridors and sensitive areas
 - j. Where appropriate, incorporate trail designs or reroutes into major restoration efforts
- Incorporate the following general trail design and management guidelines when developing the Trails Plan:
 - a. Construct new trails using modern trail-building techniques to reduce long-term maintenance and conflict
 - b. Provide for summer and winter uses and routes; ensure that winter routes for Nordic skiing and snowshoeing are consistent with winter use management policies (described below)
 - c. Minimize wetland crossings and boardwalks, which are costly to install and maintain, and are disruptive to wildlife habitat; boardwalks for interpretative purposes are discouraged
 - d. Incorporate historic and cultural interpretative sites into the Trails Plan as appropriate
 - e. Utilize portions of the existing railroad grade, and interpret its historical significance
 - f. Establish, maintain, or improve multi-use connections to other nearby trails
 - g. Consider multi-use and single-use trails
 - h. Consider various types of trail uses, experiences, and destinations to maximize user enjoyment and reduce conflicts
 - i. Incorporate winter uses including Nordic skiing and snowshoeing
- Implement new trails and trail modifications pursuant to the priority and phasing recommendations of the Trails Plan
- Use seasonal closures to protect specific wildlife or habitats (such as elk calving areas or raptor nests) and prevent soil erosion, as necessary
- Incorporate weed monitoring and control when performing trail work
- Monitor dog impacts from off-site trails including Boomerang Road, the bike path along the Spur, the Pearl Property (directly east of the property), and the River Trail south of the San Miguel River on USFS land within the Town of Telluride boundary (see Figure 4)

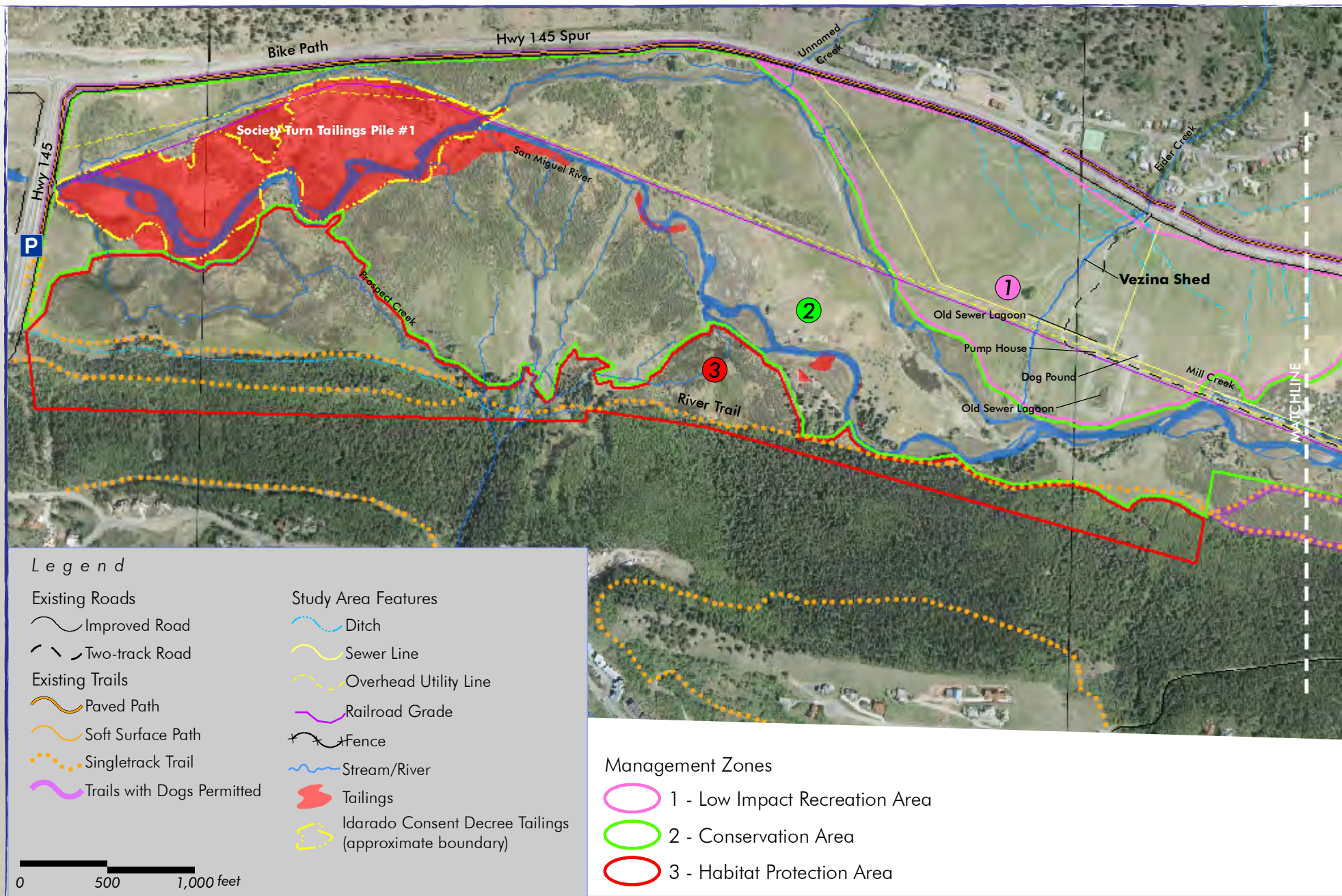


Figure 4

Property Features
(West)

August 2009



Telluride Valley Floor
Open Space Management Plan



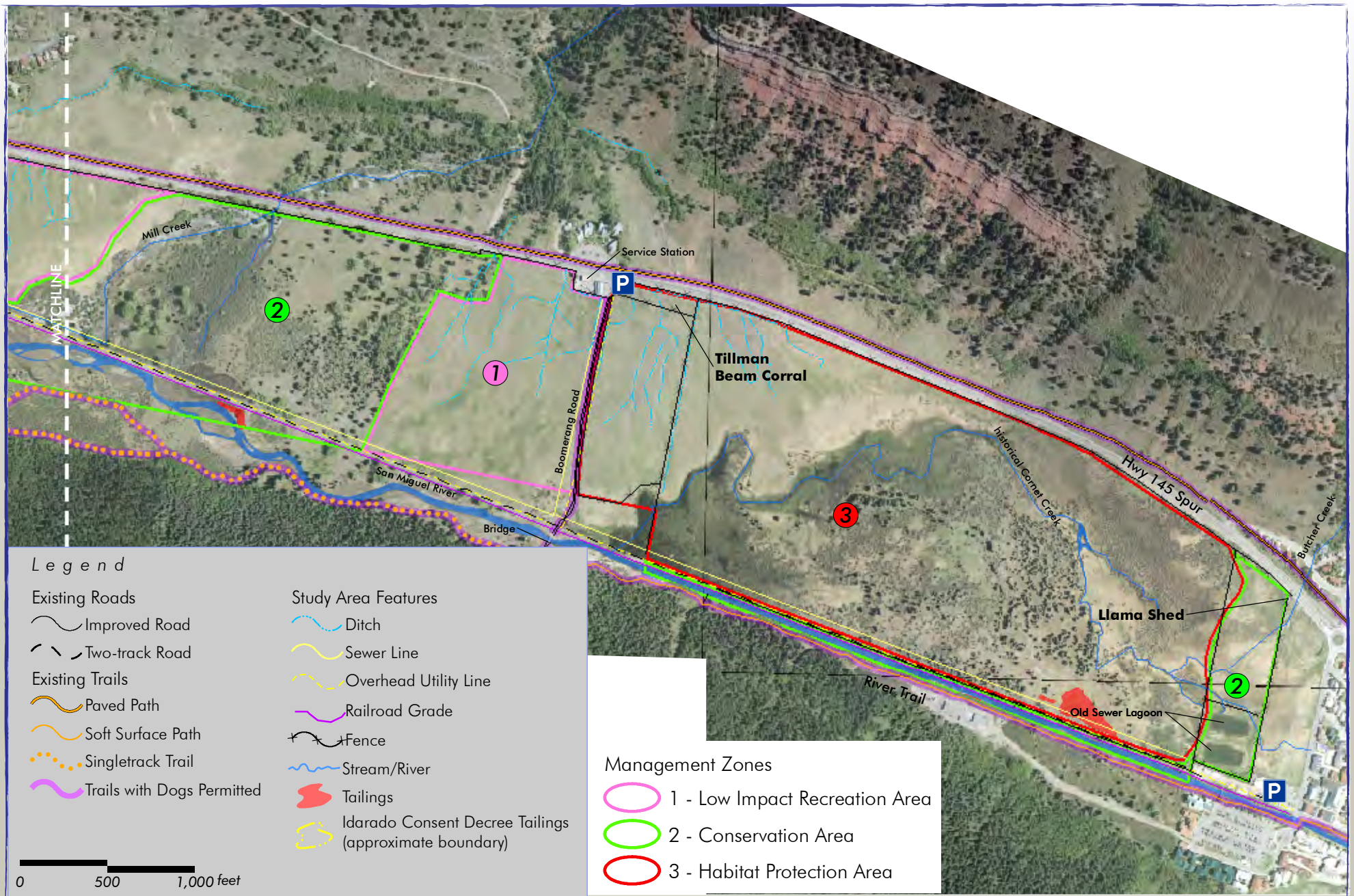


Figure 4

Property Features
(East)

August 2009



Telluride Valley Floor
Open Space Management Plan



WINTER ACTIVITIES

Winter recreational activities, including Nordic skiing (cross-country) and snowshoeing on groomed and ungroomed trails, can impact wildlife due to snow compaction and wildlife disturbance. The level of impact varies depending on the extent and intensity of activities. In addition to the wildlife disturbance considerations, larger mammals are vulnerable to increased stress during the winter period.

Nordic skiing (and potentially snowshoeing) requires mechanical grooming by vehicles and, therefore, is unique compared to other recreational uses permitted on the property. For this reason, an annual operational plan will be reviewed by the Open Space Commission to manage the grooming activities on the property. The operational plan will identify the season, specific routes, hours of grooming activities, temporary signage, and review the previous season's activities.

Management Approach

Permit compatible winter recreational activities and uses while minimizing impacts to wildlife, sensitive vegetation, and wildlife movement corridors.

Management Policies

- Locate winter trails and routes to avoid areas with sensitive vegetation or movement corridors for carnivores, including Canada lynx; periodic trail crossings (groomed or ungroomed) of sensitive habitats may be appropriate, however such crossings should be kept to a minimum to avoid habitat fragmentation
- Discourage off-trail use in areas of high environmental sensitivity
- Limit grooming for Nordic skiing, snowshoeing, or winter hiking to Zone 1, and portions of Zones 2 and 3, subject to an approved operational plan
- Obtain annual approval by the Open Space Commission for any activity using mechanized grooming
- Prohibit early- and late-season grooming when low snow depths result in direct contact with the ground/vegetation
- Discourage trail grooming through wetlands, particularly willow-dominated wetlands, histosols, or other areas with high sensitivity characteristics; permitted only in individual and limited circumstances
- Prohibit trail grooming through the prairie dog colony
- Conduct grooming activities in a manner that minimizes impacts and disturbances to wildlife and adjacent or nearby properties; minimize grooming at night, focusing such activities during dusk and dawn hours
- Encourage the use of electric and biodiesel vehicles for grooming activities, if feasible
- Provide separate trails for snowshoeing/foot travel and Nordic skiing; determine whether grooming is necessary or desired for snowshoeing/foot travel
- Identify winter routes and winter access policies as part of the overall Trails Plan for the property
- Enact temporary closures during severe winters for wildlife or resource protection as needed
- Monitor changes in vegetation along groomed trail routes to evaluate actual impacts and improve long-term conservation and management

WATER-BASED USES

Improved access to the San Miguel River as it flows through the property will likely result in an increase in water-based recreational uses including boating (primarily kayak and light rafts), tubing, and fishing. Fishing activity is also expected to increase over the long term as ecological conditions and the fishery improves.

Water-based recreational uses can result in an increase of braided or redundant social trails to provide fishing access or streambank access for floaters. Besides the considerable impacts to riparian habitat due to trampling and fragmentation, these social trails can also increase streambank erosion and sedimentation. Floating access, particularly during low flow conditions, can also adversely impact aquatic insects and fish, while overfishing can deplete the fishery.

Management Approach

Permit compatible water-based recreational uses while minimizing wildlife disturbance, social trails, trampling, and aquatic habitat impacts from those uses.

Management Policies

- Prohibit commercial fishing and boating on the property
- Implement temporary closures of river uses during low flow periods for reasons such as restoration or aquatic habitat protection
- Identify and implement suitable fishing and boating access points as part of the Trails Plan
- Encourage boaters and tubers to use designated access points, and to stay within high-water marks when in the river
- Monitor river uses, access, and social trail development along streambanks
- Minimize the increase of social trails through education, signs, and, if necessary, attractive wildlife-friendly fencing
- Consider establishing designated areas or closures for specific water-based activities
- Work with CDOW to establish fishing regulations that are appropriate for the property

ROADS

The property currently contains several developed roads, some of which are suitable for administrative, maintenance, and nonmotorized recreational access through the property. The use of motorized vehicles is prohibited within the property except for official patrol, rescue, maintenance, restoration, grooming, and remediation activities; and cleanup and removal of refuse and rubbish, as authorized by, and in accordance with, the Management Plan and Conservation Easement.

Management Approach

Minimize vehicular impacts on the property, and carefully consider new temporary access roads for permitted activities.

Management Policies

- Prohibit new permanent roads
- Permit routine administrative and maintenance vehicular activities along the following established roads: Boomerang, the Railroad Grade, and Eider Creek
- Limit off-road vehicular uses for routine administration, maintenance, monitoring, and irrigation activities to small off-road vehicles
- Permit off-road vehicular access by emergency personnel in the event of an emergency; inform emergency personnel of the existing roads, trails, and preferred routes to access different sections of the property
- Permit temporary access roads for large-scale projects (e.g., restoration or tailings remediation) that minimize impacts to areas with high environmental sensitivity and public uses; close and revegetate temporary roads after project completion
- Preserve the historic character and setting of Boomerang Road
- Revegetate unused roads over time
- Discuss with San Miguel County potential use restrictions for Boomerang Road similar to the Management Plan's policies, and the implications and desirability of the Town acquiring ownership of the road

STRUCTURES

Existing structures on the property are to be preserved, restored, repaired, maintained, or removed depending upon their significance, or lack thereof, to the property's historic setting and their desirability for maintenance and storage. New structures may be permitted only for limited, specific uses as set forth below.

Management Approach

Preserve historically significant structures; otherwise minimize the number of structures on the property.

Management Policies

- Maintain and stabilize the existing historically significant structures, as necessary, including the following structures:
 - a. Vezina shed (TVF-15);
 - b. the Tillman Beam corral (TVF-16); and
 - c. the llama shed (TVF-24)
- Maintain existing irrigation and utility facilities
- Evaluate the potential for using existing, non-historic structures, such as the old Dog Pound, Pump house, and shed in the Tillman Beam corral, for maintenance and storage directly related to management or restoration activities on the property
- Remove existing structures that do not possess cultural or historic significance, or have value for maintenance and storage uses
- Permit limited, new permanent structures only for approved trails, irrigation, or utility facilities. Such structures may include bridges, railings, retaining walls, bridges, culverts, and headgates. Ensure such new structures minimize both environmental and aesthetic impacts to the property.

FENCING

Existing fencing on the property varies from recently constructed perimeter fences to historical fences and fence alignments. Fencing is a management tool that can help delineate boundaries, focus access to intended locations, reduce casual access points from adjacent land, discourage inappropriate vehicle access and uses, and control grazing animals if such use is permitted. Fencing can also have adverse impacts on animal movement.

Management Approach

In order to protect wildlife and preserve wildlife movement corridors, and maintain the aesthetic quality of the property, the construction of new permanent and temporary fences should be limited to those necessary for resource protection or management purposes.

Management Policies

- Prohibit the construction of new, permanent fences, except for resource protection, wildlife management, control of people movement, and repair or maintenance of authorized improvements; prior written approval from SMCF is required for construction of any fence
- Maintain boundary fence along the western, northern, and eastern property lines to identify the property's edge and reduce causal access points
- Inventory condition of fences and gates identified as historically significant, and prioritize maintenance, repair, and stabilization efforts consistent with observed wildlife movement patterns and CDOW input
- Repair recently vandalized Boomerang Road fence
- Maintain individual remnant historic fence posts
- Give priority to fence removal or retrofits in known wildlife movement corridors; consult with CDOW on such work in these areas
- Conform new fencing to wildlife-friendly fencing guidelines developed by CDOW; barbed wire will be removed or replaced with wildlife-friendly wire
- Continue to adjust fences as additional wildlife movement patterns emerge from monitoring efforts
- Remove fences that do not serve management purposes, or that do not have historic significance, including the southern boundary fence (USFS Boundary) to the greatest extent possible, retaining signs and corner posts to demarcate boundaries
- Permit temporary fencing for restoration and remediation activities, wildlife management, seasonal closures, and trail projects
- Use temporary fencing for animal control if a decision is made to reintroduce livestock

UTILITIES

Several major utility lines cross the property, which are depicted on Figure 4 and summarized as follows:

- Town of Telluride sewerline main
- Town of Telluride distribution sewerlines
- San Miguel Power Association (SMPA) overhead powerline

- Natural gas, telephone, cable, and overhead electrical distribution lines (within the Boomerang Road ROW or adjacent thereto)

Management Approach

Balance functional utility services with the sound management and conservation of resource and recreation values on the property.

Management Policies

Management policies regarding existing and potential utilities are:

- Allow reasonable access to utility easement holders for routine maintenance and inspection activities; coordinate with utility providers to ensure impacts are minimized for such activities, and that vehicle use follows the policies set forth in the "Roads" section to the greatest extent practical
- Ensure major utility work such as repair, relocation, reconfiguration, installation of new utilities, or extension or relocation of existing utilities follow management policies regarding construction impact mitigation, and are consistent with policies pertaining to habitat improvement, aesthetic conditions, protection of cultural or historic significant resources, and long- and short-range restoration goals and policies; weigh potential benefits against the impacts and costs of such projects
- Ensure the costs of any maintenance, inspection, relocation, or reconfiguration of utilities are incurred by the utility provider, except relocation expenses when the proposed action is recommended as part of the desired restoration project
- Coordinate with utility providers to review present conditions of utility infrastructure, and understand and identify priority areas for future work
- Authorize bank stabilization in areas of the San Miguel River, as required, in the next 1 to 5 years for the Town sewerline; particularly take into consideration short- and long-term restoration plans in addition to the policies pertaining to major activities identified above prior to authorization
- Consider working with SMPA and San Miguel County to underground/reroute the overhead powerline within Boomerang Road ROW to improve hang/paraglider and hot air balloon landing safety and increase landing zone area

CULTURAL AND HISTORIC RESOURCES

The reconnaissance-level cultural and historic resource inventory documented in the Environmental Report found the property contains significant cultural resources. Particularly significant cultural resources include old San Miguel City, Boomerang Road, and the Southern Rio Grande Railroad (grade). These resources would likely be considered significant at the state level and would be eligible for inclusion in the National Register for Historic Places (NRHP) pending further evaluation and consultation. These three cultural resources are significant for their association with the Early Settlement and Victorian periods of the property.

Cultural resources significant at the local level include standing structures such as the Vezina Ranch shed, the Tillman Beam corral, and the llama shed; segments of fence lines that delineate named mining claims; and the remaining feature of the racetrack. Although these resources would not be eligible for individual listing on the NRHP, they may be eligible for Telluride's National Register District if the district were to be expanded

to include the property. Cultural and historic resources identified on the property are shown in Figure 5.

Prehistoric resources were not observed and are unlikely due to the significant ground disturbance that has taken place on the property.

Management Approach

Preserve and protect, and interpret where appropriate, significant cultural and historic resources occurring on the property.

Management Policies

- Protect and preserve cultural resources found to be significant at the federal, state, and local levels
- Conduct additional research and investigations to further identify and classify resources and their historic setting, including:
 - a. Conduct geophysical investigations in the area of San Miguel City to help delineate the historic boundaries and determine whether significant subsurface structural features are present
 - b. Conduct a formal Class III, intensive, cultural resource inventory in areas of high potential; this inventory would conform to Office of Archaeology and Historic Preservation (OAHP) standards and would identify any remaining potential cultural resources not readily visible during the reconnaissance inventory
 - c. Use historic photographs to recreate the historic setting of the property
 - d. Use Sanborn maps, BLM General Land Office (GLO) records, and county records to recreate land ownership within the property and identify areas of potential subsurface cultural deposits
 - e. Apply for grant funding to perform the activities listed above
- Develop an interpretative program for key resources based on the findings of further investigations; integrate the interpretative program into a Trails Plan for the property that is subtle in character and execution and has minimal physical infrastructure
- Evaluate the structural stability of the Vezina shed (TVF-15), the Tillman Beam corral (TVF-16), and the Llama shed (TVF-24), and fences and gates identified as historically significant; undertake corrective action as necessary based upon findings
- Preserve and document additional or prehistoric resources should they be identified on the property, subject to applicable state or federal laws

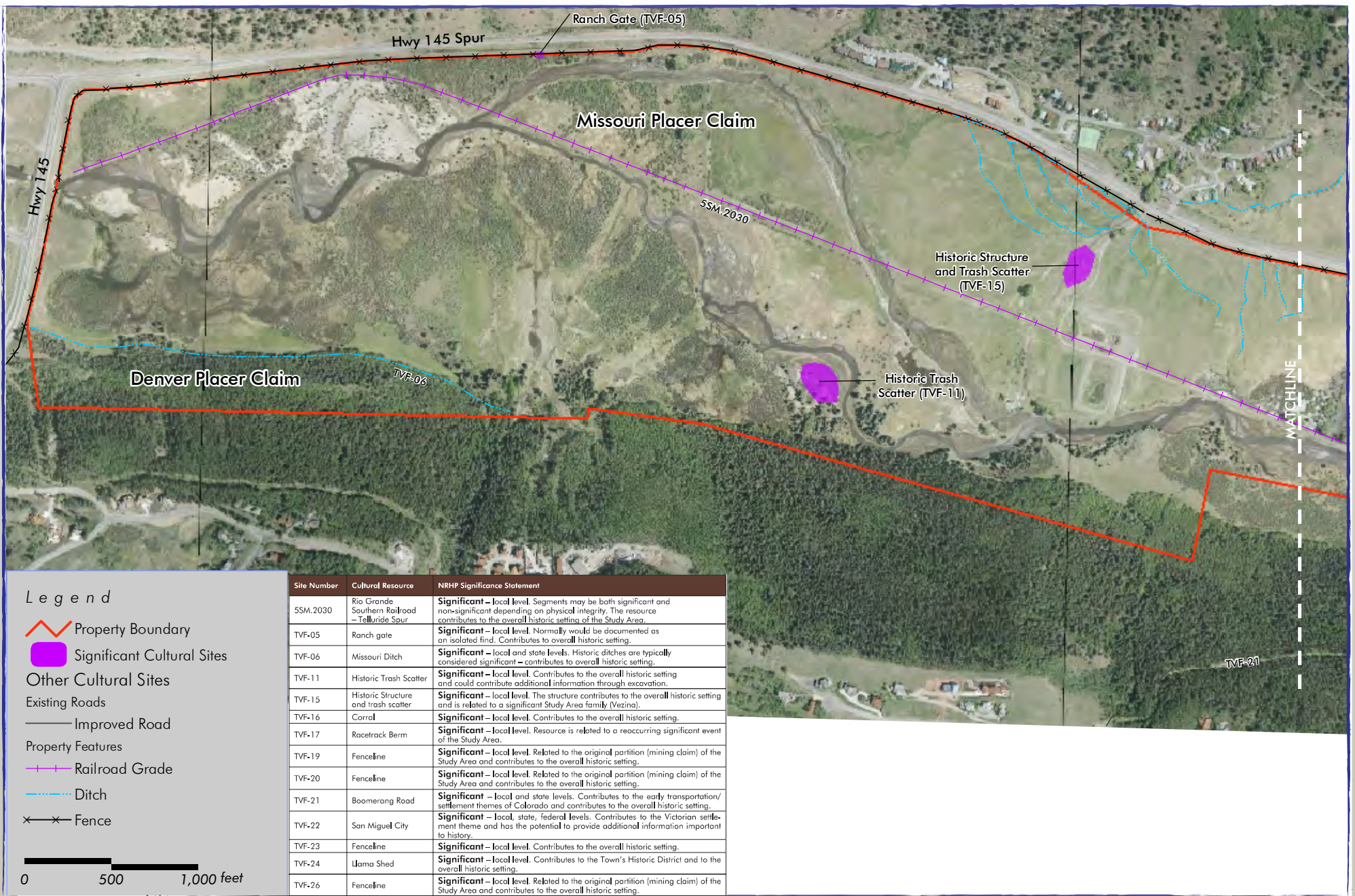


Figure 5

Cultural and Historic Resources (West)

August 2009



Telluride Valley Floor
Open Space Management Plan



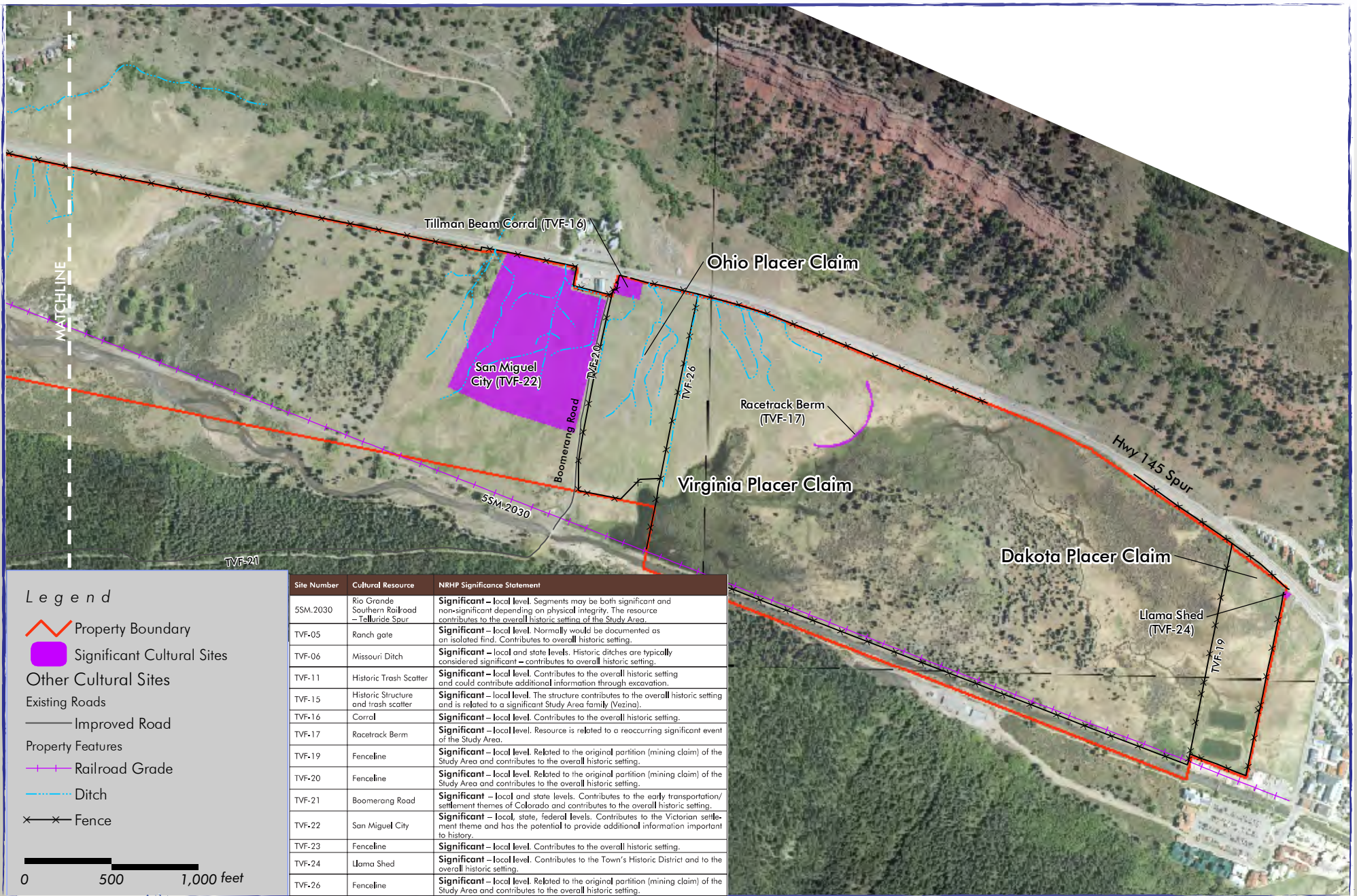


Figure 5

Cultural and Historic Resources (East)

August 2009



Telluride Valley Floor
Open Space Management Plan



NOXIOUS WEEDS

The property currently has relatively few issues related to noxious weeds. However, future changes in management, uses, and ground-disturbing activities (such as restoration or trail installation) may provide a foothold for noxious weed infestations.

Pursuant to state statutes, counties and municipalities are required to adopt and implement a noxious weed management plan. In addition, landowners, including the Town, have a duty to control and eradicate noxious weeds on their property.

Management Approach

Utilize an integrated strategy to weed management while complying with applicable state and local regulations.

Management Policies

- Identify distinct patches or infestations of noxious weeds
- Prioritize control of state- and county-listed noxious weeds over other nonnative or undesirable plant species (such as dandelions)
- Emphasize proactive monitoring and prevention to identify and control weeds before they become major infestations; monitor and map distinct patches or infestations of noxious weeds annually
- Work closely with the San Miguel County Weed Control Program or other appropriate organizations to develop weed management strategies and to implement control techniques
- Develop an integrated weed management strategy that includes a combination of mapping and manual, mechanical, cultural, biological, and chemical removal techniques; monitor and evaluate success or failure of techniques employed
- Discourage the use of chemical weed and insect control agents, and limit their use to exceptional circumstances and only in those amounts and with a frequency of application that constitute the minimum necessary for control
- Prohibit aerial spraying of chemical applications and herbicide
- Consider test plots for different and alternative weed-control methods
- Consider adverse impacts on non-target native vegetation and wildlife species before applying any weed-control action
- Incorporate weed monitoring and control into restoration and trail plans following ground-disturbing activities

WATER RIGHTS AND IRRIGATION

The Town acquired significant senior water rights with the property, which are summarized and described in the Environmental Report in Table 2-11. The Town's interest in a water right includes the actual physical water right itself, as well as related interests in the ditches, headgates, pipelines, and ancillary structures that convey the water to its intended beneficial use.

Management Approach

Per Colorado water law, implement water management practices that ensure the rights are maintained, put to beneficial use, and are compatible with management objectives and policies for other resources, including vegetation management, recharging and

improving wetland functioning noxious weed control, prairie dog management, recreational use, and cultural and historic resources.

Management Policies

- Perform a legal review of water rights to ensure the rights are maintained and are put to beneficial use
- Continue to exercise the water rights to preserve their historic use and value
- Continue to restore and maintain irrigation system's functionality of on-site and off-site facilities
- Explore and identify alternative "beneficial use" for the water rights
- Continue irrigating most areas where irrigation infrastructure exists to retain existing vegetation communities and recharge wetlands
- Use the Missouri Ditch to supply water to the wetland area in Zone 3; repair and maintain the ditch, and modify the River Trail to prevent sheet flooding and subsequent erosion and trail braiding
- Evaluate modifications to the Eider Creek irrigation system to improve health and function of the adjacent wetland community
- Manage problematic beaver activity (such as plugging irrigation diversions or culverts) on a case-by-case basis, balancing ecological processes against infrastructure management and flood control needs; utilize nonintrusive management first, and if necessary, emphasize relocation of beaver over removal or extermination
- Modify irrigation practices over time, as necessary, to be compatible with other management objectives and policies for other resources
- Preserve the irrigation ditches that possess historic significance, although the use or management thereof may be modified over time

FIRE MANAGEMENT

Fire potential on the property is generally limited to wildland fire, most likely from a fire entering the property from adjacent lands or a grass fire originating onsite. Considering the relatively open nature of the property, the primary potential fuel source for wildland fire on the property would be the pasture areas in Zone 1. To minimize risk of wildland fire on the property, the Town will monitor the condition of vegetation/fuels relative to the regional fire conditions. Should circumstances arise where fire or fuel mitigation is necessary, the Town will employ measures such as irrigation, weed and grass control, controlled burns, and removal of dead trees or other combustible debris.

Primary fire protection responsibility rests with the Telluride Fire Protection District. This is supplemented with help from San Miguel County Sheriff, Colorado State Forest Service, and potentially federal and non-federal wildland fire fighting crews that may have been brought into the area during fire seasons.

The management approach for wildland fire on the property is to aggressively control all fires and extinguish them as quickly as possible, due to the close proximity of the property to the Town of Telluride and other developed areas.

CONDITIONAL AGRICULTURAL USES

Agricultural uses are generally not desired or anticipated on the property. However, such uses may be permitted on a conditional basis within Zone 1 upon specific authorization

by the Town Council. Conditional agricultural uses are limited to grazing of livestock and non-commercial production of crop plants, and shall only be permitted for the purposes of range management, weed management, wildfire hazard mitigation, production of local human food or animal feed, or other similar uses as determined by Town Council.

As part of authorizing any conditional agricultural use, the Town Council must find:

- Exigent circumstances exist that were not present when this Plan was adopted;
- The proposed use or activity is necessary and consistent with the purposes listed above and other relevant policies of this Plan; and
- The proposed use or activity does not adversely affect the property's Conservation Values.

If the conditional agricultural use is to be conducted by others, the Town may impose a fee, require security or bonding, and any other requirement it deems necessary to protect the Conservation Values of the property, mitigate introduction of weeds, and repair or restore damages caused by the use on the property. The Commission shall provide a recommendation for any proposed conditional agricultural use, and an extraordinary majority of Town Council is required for authorizing a conditional agricultural use as described herein.

TEMPORARY FESTIVAL USE

Temporary uses associated with major festivals with greater than 10,000 participants held within the Town may be permitted within Zone 1 of the property only upon specific authorization by the Town Council if Council determines that exigent circumstances exist that have eliminated planned and approved sites for temporary uses as set forth below, and the circumstances were not foreseen by, or anticipated or controlled by, the major festival operator or the Town when approving the festival.

In such circumstance, temporary festival uses shall be limited to public sanitation facilities, parking (except for recreational vehicles), and tent camping for a duration no longer than such major festival is approved by the Town Council.

As part of authorizing such temporary use, the Town may impose a fee, and will impose any security and bonding requirements it deems necessary to protect the conservation values of the property, mitigate introduction of weeds, repair damage to irrigation facilities, and to ensure the site is restored to its previous condition immediately upon completion of the festival. The Open Space Commission shall provide a recommendation for any proposed temporary festival use, and an extraordinary majority of Town Council is required for authorizing temporary uses as described herein.

ENVIRONMENTAL AND CULTURAL EDUCATION/ACTIVITY PERMITTING PROCESS

Environmental and cultural education programs and classes related to the property resources by not-for-profits or charitable organizations are permitted on the property, subject to authorization by the Open Space Commission through an Activity Permitting Process. The primary goals of the permitting process are to:

- Limit impacts on the property, and ensure the various approved activities do not become concentrated in specific locations of the property
- Ensure the activities are conducted in an environmentally responsible manner
- Ensure such uses are consistent with, and do not impair or interfere with the property's conservation values or permitted recreational uses

- Encourage, when practical, environmental and cultural education activities that contribute to identified research, management, or monitoring priorities and needs
- Give priority to local not-for-profits in the permitting process

The Open Space Commission shall develop the permitting process, including application forms, schedule/deadlines, review criteria, and desired areas of research, management, or monitoring. In developing the permitting system, the Commission will utilize the following general guidelines:

1. After initial application, local not-for-profit or charitable organizations would submit annual (or seasonal basis) operational plans. Applications could be considered by the Open Space Commission biannually (e.g., spring for summer events and fall for winter events). Approved applicants would be required to complete a report within 1 month after the activity and provide any additional information requested by the Open Space Commission.
2. Non-local not-for-profit or charitable organizations would be required to make applications annually.
3. Organized gatherings (e.g., greater than 30 people) are prohibited.
4. Local recreational, on-trail only events of less than 200 participants may be authorized through the Activity Permitting Process.
5. Group clean-up activities organized by the Town or its designee are permitted, and not subject to the Activity Permitting Process or policies.



RESTORATION

Restoration ecology is the process of renewing a degraded, damaged, or destroyed ecosystem through human intervention. Some of the past uses of the property, including transportation development, agricultural use, and mining, have left a legacy of degraded or altered habitat conditions in certain areas. The Environmental Report identifies several areas where restoration opportunities can improve the ecological value and function of the property. Some of these restoration projects are relatively small in scope, are isolated from other resources or restoration efforts, are not constrained by timing or phasing, and could be completed on a case-by-case basis. Other projects are large and complex efforts that could influence a variety of uses, habitats, and ecological functions, and require a significant level of planning, technical data collection, and coordination for successful completion. Tailings remediation is discussed individually as a separate topic in this Management Plan (see *Tailings Remediation* section).

Management Approach

The Town will emphasize the planning and implementation of the San Miguel River and associated tributary Restoration, and Tailings Pile #1 Remediation, as the top priority large-scale restoration projects. The Town will also complete small-scale projects as resources are available. Restoration efforts pertaining to the pasturelands in Zone 1 and removal of the railroad grade (beyond what is necessary for San Miguel River restoration) are not a priority or desirable in the foreseeable future.

Management Policies

- Carefully consider short- and long-term ecological impacts and benefits during restoration planning and implementation, particularly in areas of high ecological sensitivity
- Initiate planning and coordination to complete the tailings remediation (see *Tailings Remediation* section below)
- Initiate a planning process for restoration of the San Miguel River and riparian system with the following elements:
 - a. Monitor and collect data to better understand subsurface hydrology, soils, and geologic conditions
 - b. Include connections to other water bodies, including Eider, Mill and Prospect Creeks, historical Cornet Creek, and others
 - c. Coordinate with tailings remediation efforts
 - d. Coordinate with Trails Plan development and other low impact recreational uses
 - e. Coordinate with USFS regarding river restoration plans on adjacent federal land
 - f. Consider technical concepts or alternatives regarding the existing sewer line and other utilities
 - g. Conduct railroad grade removal, documentation, and interpretation in select locations
 - h. Develop technical restoration concepts or alternatives
 - i. Accept public input and feedback on restoration concepts
 - j. Document anticipated short- and long-term costs, impacts, and ecological benefits
 - k. Identify funding sources, partners, and phased implementation strategies

- Policies for physical restoration activities:
 - a. Any ground-disturbing activities should include revegetation with native species, monitoring, and weed management.
 - b. Require construction impact mitigation plans to address such issues as equipment access roads, staging areas, protection of non-affected native vegetation and areas with high ecological sensitivity, minimizing impacts on wildlife movement corridors, and appropriate public access.
 - c. Obtain written approval, as necessary, from SMCF for the creation or enhancement of wetlands, and for removal of gravel, rock, and soil for river channel maintenance or restructuring of the river channel and sediment detention facility
- Prioritize and complete smaller scale restoration projects, as resources are available, including:
 - a. Historic Cornet Creek sewage lagoons
 - b. Abandoned sewer ponds (Eider Creek area)
 - c. Abandoned pond area (west of Eider Creek)
 - d. Removal of berms for wetland hydrology restoration
 - e. Removal of debris piles
 - f. Isolate tailings piles
- Prohibit wetland mitigation for any private development; consider small-scale (less than .5 acre) mitigation for public projects on adjacent lands provided the Open Space Commission finds the mitigation significantly improves the conservation values of the property

TAILINGS REMEDIATION

A large 26-acre tailings pile is located near the western edge of the property between the San Miguel River channel to the south and the abandoned railroad grade to the north. In addition, several other small tailings piles are scattered throughout the property. Remediation and management of the large pile, referred to as Society Turn Tailings Pile #1, is the subject of this section.

Society Turn Tailings Pile #1 originated from the Idarado mine to the east of Telluride, and was deposited on the property as a result of alluvial mining operations in the late 1800s. This pile is subject to the Idarado Consent Decree and Remedial Action Plan, a cleanup agreement between the Idarado Mining Company and the State of Colorado. Soil investigations indicate that these tailings are high in lead, cadmium, copper, and zinc, and could adversely affect water quality in the San Miguel River if they excessively slough or erode into the river.

According to a 2003 agreement between Idarado and the State of Colorado, the preferred method of remediation or reclamation is to cover the tailings pile with 1 foot of soil and revegetate with grasses and forbs. Considering the proximity of the tailings to the San Miguel River, the current remediation plan may not adequately address the potential for lateral stream migration, which could erode the reclaimed slopes and re-expose the tailings. As the owner of the property, the Town will have the opportunity to work with the State to develop a remediation plan that meets existing legal requirements, while also complimenting the long-term restoration and management of the property.

Management Approach

The Town will work with the State of Colorado and other relevant parties to develop and implement a tailings remediation plan that meets existing legal requirements while also protecting and enhancing the wildlife, habitat, recreational, and aesthetic values of the property.

Management Policies

- Initiate discussions with the State of Colorado and other relevant parties to develop and implement a compatible remediation strategy
- Discuss and negotiate access for remediation work as property owner and as regulatory authority for Colorado Avenue
- Seek opportunities to refine the remediation strategy to ensure compatibility with San Miguel River restoration, habitat conservation, and other activities on the property; consider the following specific elements:
 - a. Separate tailings pile from the active river channel with a vegetated overbank flooding area, which would allow the stream to function as a natural system without threatening the integrity of the tailings remediation
 - b. Include armoring, such as a buried riprap slope, to further protect and isolate the tailings pile during infrequent flood events
 - c. Coordinate tailings remediation with other restoration efforts, which could provide an on-site source for topsoil
 - d. Integrate topographic and vegetative diversity into the reclaimed tailings area to improve both ecological and aesthetic value over the long term;



- preserve existing stands of spruce, where possible
- e. Require insurances, indemnification, and performance guarantees
- f. Permit appropriate public access through the site following the remediation work
- Require a construction impact mitigation plan for the remediation work which, at a minimum, would address the following issues and policies:
 - a. Identify reasonable short- and long-term vehicle access to perform necessary remediation implementation and monitoring
 - b. Locate temporary access routes, all staging areas, and other disturbances that minimize impacts to native vegetation and wetlands; avoid any impacts to areas considered to have high ecological sensitivity
 - c. Implement necessary traffic control measures and/or seasonal construction timing to minimize hazards and reduce inconveniences associated with truck or heavy equipment access
 - d. Incorporate standard resource protection measures into the remediation plan, including:
 - (i) Decontamination of vehicles and equipment to prevent the introduction of noxious weeds
 - (ii) Noxious weed monitoring and control during and after implementation
 - (iii) Best management practices for stormwater runoff
 - (iv) Fugitive dust abatement
 - (v) Containment and removal of hazardous materials (e.g., oil, grease, and gasoline)
 - (vi) Containment and removal of trash and refuse
 - (vii) Other measures, as required by federal, state, or local laws

MONITORING

The natural and physical characteristics of the property are a dynamic system, always changing in response to human interaction and natural forces. While the Environmental Report provides a thorough baseline understanding of many of the resources, it is only a snapshot in time from which initial management decisions can be made. Little is known about some of the resources on the property, other resources are constantly changing, and others are likely to change in response to recreational use, restoration, or management activities. Monitoring provides an opportunity to fill data gaps, track long-term trends, evaluate management actions, and identify management problems before resource damage occurs. Ongoing monitoring is a key component of the Town's adaptive approach to management of the property (described above under *Adaptive Management Philosophy*).

Management Approach

As part of an Adaptive Management Approach, the Town will use ongoing and situation-specific monitoring to document long-term trends on the property and resource responses to management actions. A variety of techniques will be used to monitor resources,

ranging from ground water levels to wildlife dynamics and recreational use. Based on the results of monitoring, the Town will routinely adapt management policies and actions based on an improved understanding of the resources, as well as the benefits and consequences of various management actions.

Management Policies

- Develop an integrated Monitoring Plan for the Property
- Initiate the following monitoring activities:
 - a. **Surface water** – Monitor seasonal San Miguel River flows at the eastern edge of the property and below Mill Creek confluence; as well as flows in Mill and Prospect creeks
 - b. **Ground water** – Monitor ground water to better understand elevations, fluctuations, and flow patterns. While the number and location of piezometers (monitoring wells) should be established on-site by appropriate experts, general locations may include the wetland and upland areas in the eastern portions of the property, the Mill Creek alluvial fan, and the Prospect Creek alluvial fan (depending on the anticipated location of restoration efforts).
 - c. **Trail and resource conditions** – Establish photo points at strategic locations throughout the property to document visible changes to resource conditions, trails, or other areas with potential management issues. Recommended locations include the River Trail, existing single-track trails, the prairie dog colony, beaver areas, tailings piles, Prospect Creek trail crossings, existing social trails and river access points, existing weed patches, and general areas with “typical” vegetation condition and structure.
 - d. **Prairie dog colony** – Monitor the colony size and extent to track the movement, density, and viability of the population
 - e. **Wildlife** – Conduct surveys, including snow track count surveys, elk surveys, bird counts, and general wildlife observations to better understand trends and responses to management or uses
 - f. **Noxious weeds** – Map and evaluate noxious weed patches
- Consistent with the Monitoring Plan, identify and prioritize additional routine monitoring that will be conducted over the long term. The specific methods and frequency of monitoring are to be directly related to the resources being monitored. In addition to those listed above, routine monitoring may also include documentation of resource conditions, recreational uses, and management issues observed by staff.
- Develop a practical strategy to ensure that routine monitoring is completed at regular and appropriate intervals, using open space rangers, volunteers, and outside resources (e.g., public agencies, educational groups, or consultants)
- In addition to the routine monitoring described above, identify and implement specific monitoring to track the results of management actions or programs; specific monitoring may include:
 - a. Vegetation establishment following restoration/revegetation
 - b. Location-specific weed monitoring (in response to disturbances)
 - c. Elk behavior, movement, and foraging
 - d. Tailings pile stability and revegetation

- e. Prairie dog population surveys
- f. Fish surveys
- g. Benthic macroinvertebrate sampling
- h. Trail use and frequency
- i. Trail impact measurements
- Annually evaluate the results of monitoring and refine management strategies (a “feedback loop”)
- Integrate both ongoing and specific monitoring programs into the staffing and budgetary priorities for management of the property

TRAILHEADS/SIGNAGE

The establishment of designated trailheads is an important component of visitor use and open space management. In addition to providing clear and designated access to a property, trailheads represent an opportunity to convey rules, regulation, and notices, and establish the overall philosophy and tenor for property management and the visitor experience. Primary trailheads will be located at the South Pearl Parking Lot on the western edge of Telluride, and on Boomerang Road just south of its intersection with the Colorado Ave. Spur.

Parking is not permitted on the property. Users and visitors will be encouraged to arrive at the property via nonvehicular means. Trailhead maps will identify locations of free public parking near the property, major public transportation routes, and systems providing access to the property. The Town will work with the Colorado Department of Transportation (CDOT) on any modifications to the informal pull-off where parking is occurring at the western edge of the property.

The following policies set forth herein may be further articulated and modified through the development of a Trails Plan for the property.

Management Approach

A minimalist approach to trailhead and signage is envisioned for the property, similar to that used for the Bear Creek Preserve, with limited permanent signs used only where necessary. Signs are to be simple in character. However, primary trailhead signs will provide more information than presented at current Town Open Space trailheads.

Management Policies

- Implement on-site Trailhead Facilities pursuant to Table 1
- Work with San Miguel County to improve parking efficiency, and to protect the corral fence at the N. Boomerang Rd. trailhead from damage caused by motor vehicles
- Work with CDOT on improvements/modifications to the informal parking at the western edge of the property
- Utilize trail counters, as desired, to monitor use
- Refine approach to trailhead facilities based on recommendations of a Trails Plan
- Include the following in off-site trailhead facilities:
 - a. Parking at South Pearl/Lot 48A (RV) Lot/Shandoka Lot, Carhenge, Boomerang Road ROW east of Gas Station (subject to county approval), County Intercept Parking Lot at Lawson Hill, and the small informal lot on western property edge within the CDOT ROW

- b. Potential locations for off-site future public restrooms are the South Pearl/Lot 48A Parking Lot and/or the N. Boomerang Road/W. Colorado Avenue Spur; however, it has not been determined that such facilities are necessary or desirable
- c. An environmental education center/open space recreation, administration, and maintenance facility is contemplated as a future, off-site facility. If it is determined that such a facility is desired close to the Valley Floor, a potential site would be the South Pearl/Lot 48A Parking Lot, pending necessary land use approvals and further analysis and exploration to determine the site's feasibility
- d. Limit permanent signs to interpretive, restoration, trail, and maintenance purposes, and those signs necessary to discourage off-trail use and visitation in areas of high environmental sensitivity
- e. Limit temporary signs to those associated with seasonal closures such as those necessary for wildlife protection and erosion control, restoration, Nordic skiing and winter trail use, and permitted educational, interpretive, or temporary festival uses and activities
- f. Work with San Miguel County and Lawson Hill Homeowners Association to locate off-site directional signs to the property at the Lawson Hill Intercept Parking Lot
- g. Locate off-site directional sign at the Carhenge Parking Lot
- h. Install trail signs per an adopted Trail Plan
- i. Construct signs of wood, metal, or recyclable products; make simple in character and design

Table 1. Summary of Proposed Trailhead Facilities

	South Pearl Parking Lot	North Boomerang Rd. [at Colorado Ave. Spur.]	South Boomerang Rd./USFS Boundary	West End [at informal CDOT Parking Lot]	West End [south branch of River Trail]	Eider Creek Gate	River Trail/USFS Boundary
Trailhead Type							
Primary	X	X					
Secondary			X	X		X	
Minor					X		X
Entry Signs							
Iconographic Sign ¹	X	X					
Small Identification			X	X	X	X	X
Regulations							
Listing	X	X					
Basic			X	X	X	X	X
Notices/Closures	X	X	X	X		X	X
Maps							
Full	X	X					
Simple Trail w/Parking			X	X		X	
Trash Receptacles	X	X		X		X	
Comment Boxes	X	X		X			
Wildlife Observ. Forms	X	X		X			
Pet Pickups	X	X	X				
USFS Boundary			X				X

¹ Similar in character to Bear Creek Preserve.

ADMINISTRATION AND STEWARDSHIP

Administration

The Town, primarily through its Open Space Ranger Program, provides, conducts and/or coordinates the maintenance, patrol, and resource management activities on open space lands including the Valley Floor. Other administrative and management activities will be conducted by the Town through an expanded ranger program, other municipal departments, and/or third parties as determined by the Town. Examples of these activities are as follows:

- Monitoring
- Weed mitigation
- Irrigation
- Law enforcement

- Planning and programming
- Over-sight of the environmental education and activity permitting process
- Interpretative site programming
- Restoration efforts
- Trail projects

The annual direction for administrative and management activities will be provided by the Commission and Town Council. Contingent upon available funds, the Town will provide the necessary staffing and professional assistance to accomplish the specific activities for a given time period or project.

Stewardship

The Town will encourage activities that increase awareness, understanding, appreciation, and support for stewardship of the natural and cultural resources on the property and open space in general. To foster these stewardship activities, the Town will conduct public outreach programs through its rangers similar to the Bear Creek Stewardship Programs conducted in the past, and develop and disseminate information about the uniqueness, importance, and appropriate stewardship and management of the property through publications, exhibits, and other media. Any environmental education activities authorized through the activity permitting process are to be complementary to these ranger programs.

Depending upon the specific activity, the Town will also utilize trained volunteers, cooperating groups, and private individuals to assist in the delivery of environmental education, interpretive services, and minor maintenance and restoration projects. For example, volunteer groups and individuals could be used to help control noxious weeds by hand-pulling and cutting, or to plant trees in areas that compliment restoration projects or overall restoration goals.

PLAN UPDATE AND AMENDMENT

Through the Conservation Easement, the Town has agreed to update this Plan at least every four years, or sooner if it is determined by the Town and SMCF to be in the best interest of the property's Conservation Values. Further, SMCF, as holder of the Conservation Easement, must consent to any amendment or update to this Plan.

Updates to the Plan shall be undertaken by the Open Space Commission, pursuant to Town Council direction, who shall actively solicit public participation, and utilize professionals as necessary, in its deliberations. Any proposed substantial change or amendment to the Plan resulting from the update process shall be forwarded as a formal recommendation from the Open Space Commission to Town Council, who will consider such amendment by Resolution.

In addition to the Plan update process, new information or issues may arise during interim years that necessitate amendments to the Plan. In such instances, the following general process shall be used:

Once an issue is raised by either the public or the Open Space Commission, the Open Space Commission shall forward the matter to the Town Council who shall determine whether the issue requires attention and analysis. If Town Council directs the issue to be considered as a potential amendment to the Plan, then the Open Space Commission would formulate a recommendation to Town Council utilizing public participation, consultation with SMCF, and professional assistance as necessary. Town Council would then consider adoption of the amendment by way of a Resolution at a Public Meeting.

Appendix A
Summary of Planned Short and Long Range Activities

APPENDIX A VALLEY FLOOR OPEN SPACE MANAGEMENT PLAN

Summary of Planned Short and Long Range Activities

Priority Key: **Red = high** Black = normal

Activity						
Category	Ongoing	Short Range 0-3 years	Est. Cost	Long Range 2-10 years	Est. Cost	Not Planned within 10 yrs.
Wildlife Management	Monitor presence, location, and dynamics of wildlife species, and management conflicts					
	Monitor beaver locations, habitat dynamics, and impacts					
Beaver	Monitor impacts associated with elk/other large mammals					
	Enact seasonal closures of trails or public use areas as necessary			Evaluate elk findings after 2 to 5 years, and coordinate findings with CDOW		
Elk						
Lynx	Monitor for lynx activity	Coordinate with CDOW to understand latest science and trends	\$0			
Gunnison's Prairie Dog	Monitor/contain prairie dog colony in present location	Work with CDOW and USFWS with ongoing studies	\$0			
	Relocate/remove new colonies	Install an interpretative display near Boomerang Road to describe the species, its habitat, and its role in the ecosystem	<\$5K			
Trails and Trail Use	Enact temporary closures as necessary	Complete an overall Trails Plan for the property in conjunction with a conceptual river restoration plan	<\$100K [combined]	Implement new trails and modifications to existing trails pursuant to the Trails Plan		
		Install small trail signs encouraging users to stay on trails in areas of high environmental sensitivity and sensitive riparian habitats	<\$10K			
		Modify the Prospect Creek and minor stream crossing; Repair Missouri Ditch	<\$5K			
		Identify and implement other maintenance or minor reroutes on existing trails	<\$5K			
Winter Activities	Review annual operational plan for activities requiring grooming					
	Monitor changes in vegetation along groomed trail routes and impacts associated with night grooming	Determine whether grooming is necessary or desired for snowshoeing/foot travel	\$0			
	Enact temporary closures as necessary					

Category	Activity					
	Ongoing	Short Range 0-3 years	Est. Cost	Long Range 2-10 years	Est. Cost	Not Planned within 10 yrs.
Water-based Uses	Enact temporary closures as necessary	Identify and implement suitable fishing and boating access points as part of the overall Trails Plan	\$0			
Roads	Preserve the historic character/setting of Boomerang Road	Discuss with SMC use restrictions for Boomerang Road and/or Town acquiring ownership	\$0	Revegetate unused roads over time		
Structures	Maintain existing irrigation structures and utility facilities	Evaluate and inspect suitability of nonhistoric structures for maintenance and storage purposes	\$0	As necessary, undertake corrective action to stabilize historically significant structures Remove nonhistoric structures not used for property maintenance or restoration Install new permanent structures only as required for trails, restoration, irrigation, or utility facility projects		
Fencing	Maintain fences and gates that demark property boundaries and those identified by the Historic and Cultural Inventory	Inventory condition of fences identified as historically significant and prioritize repair and stabilization efforts Retrofit fences and wire to allow safe wildlife passage (remove barbed wire); consult with CDOW Repair Boomerang Road fence	\$0 <\$50K <\$5K	Remove fences that do not serve management purposes or that do not have historic significance		
Utilities		Coordinate with utility providers to review present utility infrastructure/understand priority areas for future work Review bank stability in San Miguel River relative to the Town sewerline	\$0 \$0			Work with SMPA and SMC to underground/reroute the overhead powerline within Boomerang Road right-of-way
Cultural and Historic Resources	Protect and preserve significant historical and cultural resources and structures	Evaluate and inspect structural stability of the historically significant structures Apply for grant funding to perform: 1. Geophysical investigation of San Miguel City 2. Class III cultural resource inventory 3. Recreation of historic setting property using historic photographs 4. Recreation of land ownership/identify subsurface deposits Remove nonhistoric debris	\$0 \$0 \$0 <\$5K	Based on further investigations, develop an interpretative program for key resources Undertake corrective action to stabilize historically significant structures as necessary Remove nonsignificant, nonutilized structures and nonhistoric debris		

Noxious Weeds	Annually monitor/map infestations	Develop an integrated weed management strategy	<5K	Evaluate success or failure of techniques employed		
	Work with SMC Weed Control Program/others to develop seasonal strategy			Establish test plots for different and alternative weed control methods		
Water Rights and Irrigation	Continue to exercise water rights	Perform a legal review of water rights	<\$50K	Explore and identify alternative "beneficial use" for water rights consistent with Conservation Easement		
	Maintain irrigation system functionality on-site and off-site	Repair Missouri Ditch and modify the River Trail, to prevent sheet flooding and subsequent erosion and trail braiding	<\$5K	Modify Eider Creek irrigation system to improve health and function of adjacent wetland community, as necessary		
	Irrigate most areas where irrigation infrastructure exists	Evaluate modification to Eider Creek system to improve health/function of adjacent wetland community	\$0			
Environmental and Cultural Education/ Activity Permitting Process	Review Environmental and Cultural Education program applications on annual or biannual basis	Develop Activity Permitting Process	\$0	Evaluate long-term benefits and impacts associated with approach to permitting Environmental and Cultural Education programs		
	Review other Activity Permit Applications on a case-by-case basis					
Restoration		Initiate planning process for restoration of the San Miguel River and tributaries; perform concept restoration plan with Trails Plan	<\$100K [combined]	Begin to implement initial phases of restoration of the San Miguel River Restoration Plan		
		Research grants for restoration planning implementation	\$0			
		Prioritize smaller-scale restoration projects	\$0	Perform smaller-scale restoration project		
Tailings Remediation		Initiate discussions with State, other relevant parties to develop and implement remediation strategy	\$0			
		Discuss and negotiate access for remediation work	\$0			
		Monitor remediation activity for compliance with approved remediation plan	<\$5K			

Trailhead/ Signage		Clearly identify HPAs at major trailhead	<\$5K	Determine desirability/ feasibility of environmental education center/open space rec., admin. and maint. facility at the South Pearl/Lot 48A Parking Lot		
		Work with SMC to improve parking efficiency; prevent corral fence damage at Boomerang Road trailhead	\$0			
		Work with CDOT on improvements/ modifications to west end informal parking	\$0			
		Refine trailhead facilities based on a final Trails Plan	\$0			
		Work with SMC/Lawson Hill HOA to locate off-site directional signs at LH Intercept Lot	<\$1K			
		Locate off-site directional sign at Carhenge	<\$1K			
Monitoring	See activities identified above Pursuant to the Integrated Monitoring Plan, initiate routine monitoring at regular and appropriate intervals including:	Develop an integrated Monitoring Plan for the Property	<\$5K	Continue to implement Monitoring Plan, and adjust and modify as necessary		
	<ul style="list-style-type: none"> • Surface water • Ground water monitoring • Photo points • Prairie dog colony size/extent (with CDOW) • Wildlife surveys • Noxious weed mapping and evaluation • Impacts and other changes associated with recreational trails and uses, including water-based uses • Annually evaluate the results of monitoring and refine management strategies 	Install monitoring infrastructure pursuant to IMP (e.g., piezometers)	<\$10K			
		Establish photo points	\$0			
		Consistent with the Monitoring Plan, identify and prioritize additional routine monitoring that will be conducted over the long term including:	<\$10K			
		<ul style="list-style-type: none"> • Vegetation establishment following restoration • Location-specific weed monitoring (in response to disturbances) • Elk behavior, movement, and foraging • Tailings pile stability and revegetation • Prairie dog population surveys • Bird counts • Fish surveys • Benthic macroinvertebrate sampling • Trail use and frequency • Trail impact measurements related to Nordic and walking trail grooming 				
Fire Management	Monitor property relative to the regional fire conditions, mitigate fire and fuels as necessary					
Plan Update and Amendment				Perform Plan updates and amendments as required by CE and as necessary		

Appendix B
Conservation Easement

State Documentary Fee
Date AUG. 7, 2009
\$EXEMPT JF

DEED OF CONSERVATION EASEMENT

NOTICE: THIS DEED CONTAINS RESTRICTIONS ON THE USE AND DEVELOPMENT OF THE PROPERTY THAT ARE INTENDED TO PROTECT ITS OPEN SPACE VALUES. THE TOWN OF TELLURIDE HAS FOUND THAT THE ADOPTION OF THIS DEED OF CONSERVATION EASEMENT IS IN THE PUBLIC INTEREST.

THIS DEED OF CONSERVATION EASEMENT is made this 4 day of August, 2009, by the TOWN OF TELLURIDE, a Colorado home rule municipality ("Grantor") in favor of SAN MIGUEL CONSERVATION FOUNDATION, a Colorado nonprofit corporation, having an address at P.O. Box 2466, Telluride, CO 81435 ("Grantee").

RECITALS

- A. Grantor is the sole owner in fee simple of approximately 560 acres of real property located in San Miguel County, Colorado, and more particularly described in Exhibit A and depicted on Exhibit B, both of which are attached hereto and incorporated by this reference (the "Property"). Grantor, as owner of the Property, owns the affirmative rights to identify, preserve, and protect in perpetuity its open space character and its natural features and values. The Property also includes Water Rights (as defined in Section 2.3 below) and mineral rights associated with or appurtenant to the Property.
- B. On June 25, 2002, residents of the Town of Telluride passed Town Ordinance No. 1174 ("Ordinance No. 1174"), authorizing the acquisition of the Property to protect its scenic, open space, public recreation and wildlife habitat values and further committing the Town of Telluride to preserve those same values with the imposition of a conservation easement on the Property. On June 20, 2008, the Town of Telluride acquired the Property upon the issuance and filing of a Rule and Order of the San Miguel County District Court in case number 04-CV-22.
- C. A portion of the funds used to acquire the Property was provided by the Valley Floor Preservation Partners, Inc. ("VFPP"). Grantor and VFPP entered into that certain Memorandum of Understanding dated April 5, 2007, which requires preservation of the Property with this Easement.
- D. The Property possesses significant open-space values, as defined in C.R.S. Sections 38-30.5-101 to 38-30.5-111. The Property serves as the scenic gateway to the Town of Telluride. It is highly visible from Colorado Highway 145 and West Colorado Avenue, as well as from the surrounding valley highlands in the Uncompahgre National Forest, including from the Telluride Ski Area. The Property's scenic vistas and open space qualities are central to Telluride's status as a year-round destination resort. The Property includes significant relatively natural habitat for fish, wildlife, plants and ecosystems. Approximately three miles of the San Miguel River and associated tributaries flow through the property, creating substantial natural wetlands supporting high levels of biological diversity. The Property contains potential habitat for Canada lynx, a federally threatened species, summer and transitional seasonal ranges for wildlife species including mule deer,



U0053978-2
126
*

elk and black bear, as well as habitat for a myriad of other bird, wildlife, aquatic and plant species. The Property also possesses multiple amenities and opportunities for low-impact outdoor recreational and educational uses by the residents of the Town of Telluride and the general public, including nature walks, trails and areas for hiking, bicycling, running, cross country skiing, agricultural uses, hang/para glider and hot air balloon landing. The Property has been of central importance to the San Miguel River Valley and the Town of Telluride for more than one hundred forty years. The foregoing are collectively the Property's "Conservation Values". The Conservation Values are of great importance to the Grantor and its citizens, guests and invitees, and are worthy of conservation.

- E. The State of Colorado has recognized the importance of public and private efforts toward the preservation of natural systems in the state by enactment of C.R.S. Sections 38-30.5-101 to 38-30.5-111.
- F. Protection of the Property is consistent with the goals and objectives of both the Town of Telluride's Master Plan, Land Use Plan, and Open Lands Plan, and the Telluride Open Space Commission has determined that protection of the Property is of the highest priority to the Town of Telluride.
- G. Grantor further intends, as owner of the Property, to convey to Grantee the right to preserve and protect the Conservation Values of the Property in perpetuity. Furthermore, it is Grantor's intention to provide low-impact recreational opportunities and public park purposes that do not significantly impair or interfere with the Conservation Values.
- H. Grantee is a private organization organized to protect and conserve natural areas and ecologically significant land for scientific, charitable and educational purposes, and is a "charitable organization" under the terms of Section 38-30.5-104(2) of the Colorado Revised Statutes and is a "qualified organization" within the provisions of Section 170(h) of the Internal Revenue Code of 1986, as amended (the "IRS Code"), qualified to acquire and hold conservation easements and meets the requirements of the IRS Code as a Sec. 501(c)(3) exempt organization.
- I. Grantee agrees by accepting this grant to honor the intentions of Grantor stated herein and to preserve and protect in perpetuity the Conservation Values of the Property for the benefit of this generation and the generations to come.

NOW, THEREFORE, in consideration of the above and the mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the state of Colorado, and in particular C.R.S. § 38-30.5-101 et. seq., Grantor hereby voluntarily grants and conveys to Grantee a conservation easement in gross in perpetuity over the Property of the nature and character and to the extent hereinafter set forth ("Easement").

1. Recitals. The Recitals are incorporated herein by this reference.
2. Purpose and Allowed Uses. It is the purpose of the Easement to preserve and protect in perpetuity and, in the event of their further degradation or destruction, to enhance and restore, the open space and natural features and values of the Property. It is further the specific

purpose of this Easement to conserve important habitat for wildlife; to protect rare or unique native plants currently known or later identified; and to conserve the diverse meadow, and riparian communities and the wildlife inhabiting these communities. It is further the specific purpose of this Easement to allow Grantor to grant public access for low-impact recreational and educational uses such as nature walks, trails and areas for hiking, bicycling, running, cross country skiing, agricultural uses, hang/para glider and hot air balloon landing on the Property. In accordance with the Management Plan (as defined below), temporary uses associated with a major festival, defined as exceeding 10,000 participants, held within the Town of Telluride may be permitted (for a duration no longer than such major festival is approved by the Town), such as public sanitation facilities, parking (except for recreational vehicles) and tent camping. In addition, except as otherwise provided in this Easement, other public park purposes not requiring improvement of the land or placement of temporary or permanent structures, may be permitted on portions of the Property, provided that such uses do not significantly impair or interfere with the Conservation Values.

Pursuant to the terms of C.R.S. Sections 38-30.5-101 to 38-30.5-111, the Property preserved hereby as natural land may not be converted or directed to any uses other than those provided herein and incorporated in the Management Plan (defined below).

2.1 Remediation. Portions of the Property are subject to certain orders and judgments filed or entered in Civil Action 83-C-2385, U.S. District Court, District of Colorado, and other portions of the Property may be contaminated from prior mining activities. Grantor reserves any rights it may have, in accordance with applicable state and federal statutory and regulatory provisions, to remediate and/or cleanup the Property as necessitated by conditions on the Property which were in existence as of the conveyance to Grantor so long as such remediation minimizes significant impairment or interference with the Conservation Values. Upon the presentation of the current or amended remediation plan, consistent with the orders and judgments in Civil Action 83-C-2385, U.S. District Court, District of Colorado (the "Remediation Plan") and The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA") and following approval by the State of Colorado Department of Public Health and Environment, to the Telluride Town Council, and prior to its approval by Town Council, the Grantee shall be afforded an opportunity to review the Remediation Plan. Notwithstanding any contrary language in this Agreement, Grantor and Grantee understand that the temporary and/or short-term Conservation Values of the portion of the Property subject to remediation may appear to be compromised during the implementation of the Remediation Plan. However, Grantor and Grantee accept and acknowledge that the implementation of the Remediation Plan will benefit the long-term Conservation Values of the portion of the Property subject to the Remediation Plan with those long-term benefits outweighing any short-term or temporary impacts associated with the implementation of the Remediation Plan. Nothing in this Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Property, or any of Grantor's activities on the Property, or otherwise to become an operator with respect to the Property within the meaning of CERCLA. Grantor and Grantee recognize that the orders and judgments in Civil Action 83-C-2385, U.S. District Court, District of Colorado require the placement of a restrictive environmental covenant on the remediated portions of the Property, which environmental covenant may be pursuant to C.R.S. § 25-15-318 *et. seq.* Grantor and Grantee acknowledge that Grantor will consider, in

good faith, the execution of the restrictive environmental covenant and that such restrictive environmental covenant, if placed on the remediated portions of the Property, would not be inconsistent with this Agreement, but would be granted to the Colorado Department of Public Health and Environment to restrict use of the remediated Property for the purpose of protecting human health, the environment and the remediation of the Property. If Grantor subsequently executes a restrictive environmental covenant for the remediated portions of the Property, such restrictive environmental covenant shall be subordinate to the terms and legal obligations of this Conservation Easement.

2.2 Restoration. Future restoration of the San Miguel River, environmentally sensitive areas, riparian and wildlife habitats is permitted, including changing the course of the San Miguel River back to its natural course or some other environmentally preferred course. Such restoration work shall be done in accordance with the Management Plan and in a manner that does not permanently and significantly impair or interfere with the Conservation Values.

2.3 Water Rights. Pursuant to C.R.S. Section 38-30.5-102, which authorizes the inclusion of "water rights beneficially used upon the land...owned by Grantor" in a conservation easement, the Property subject to this Easement includes any and all right, title and interest in and to water rights, ditches and ditch rights, ponds, springs and spring rights, reservoir and reservoir rights, wells and groundwater rights, water allotments, units or shares, and any other types of rights, including contracts, permits, easements, and rights-of-way, related to the ownership of water, tributary, non-tributary and not non-tributary, appurtenant to or customarily or historically used or associated with or upon the Property, together with any and all of the rights associated with the historical and beneficial use of any of the embankments, flumes, headgates, measuring devices or any other structures that are appurtenant to those water rights (collectively, the "Water Rights"), including but not limited to those specifically described in Exhibit C attached hereto and made a part of this Deed.

2.3.1 Permitted Uses of Water Rights. The Parties agree that the Water Rights are included in this Easement in order to retain or maintain the Water Rights predominantly for agricultural use in accordance with historical practices, as well as for , wildlife, wildlife habitat, wetlands, recreational, piscatorial, forest, open space, and scenic uses related to the Property or other uses consistent with the protection of open land, environmental quality or life sustaining ecological diversity, such as the conveyance of all or part of such Water Rights to the Colorado Water Conservation Board or other entity for the specific conservation purpose of protecting or enhancing instream flows and/or water levels in streams, rivers, lakes, and reservoirs to preserve or improve the natural environment of such water body(s) (the "Permitted Water Uses"). The Water Rights are hereby dedicated and restricted to support, enhance, and further the Permitted Water Uses. The Permitted Water Uses include, but are not limited to, the continuation of the historic use of the Water Rights on the Property. Grantor shall retain the right to use and enjoy the Water Rights on the Property in a manner that is consistent with historic practices and this Easement. Grantor shall have the right to maintain, repair and, if destroyed, reconstruct any facilities related to the Water Rights (such as ditches, wells and reservoirs). Grantor may also construct additional improvements necessary for irrigation activities (such as headgates, measuring devices, pipe or sprinkler systems and ditches), so long as the irrigation activities are permitted by this Easement and the

improvements are constructed in a manner that does not significantly impair or interfere with the Conservation Values. If Grantor or Grantee determines that adjudication of a change of any part of the Water Rights is necessary or desirable to accomplish Permitted Water Uses or to further the Conservation Values consistent with this Easement, the party making such determination shall consult with the other party and attempt to agree on the scope of a water court application or other procedure necessary or desirable to accomplish such change. Subject to the right of Grantee to take certain actions to prevent or to remedy a threat of abandonment as set forth in paragraph 2.3.4, the agreement of Grantor and Grantee shall be required prior to the commencement of any such adjudication or other proceeding to change the Water Rights to accomplish Permitted Water Uses or to further the Conservation Values.

2.3.2 Restrictions on Water Rights. The Water Rights may not be used for municipal, commercial, or industrial purposes. Grantor shall not transfer, encumber, sell, lease or otherwise separate the Water Rights from the Property. Grantor shall not create alternate points of diversion, engage in temporary leases or transfers, or change the historic use of the Water Rights without the prior written consent of, and determination by, Grantee that such change is not inconsistent with the preservation and protection of the Conservation Values. Grantor shall not abandon or allow abandonment of the Water Rights by action or inaction. Except as otherwise set forth herein, Grantor shall not change the historic use or point of diversion of the Water Rights unless Grantee determines that said change is not inconsistent with the preservation and protection of the Conservation Values. Except as permitted in Section 2.3.1 above, Grantor shall not construct, or permit others to construct, any new diversion, storage or other water structures upon the Property, shall not develop any conditional water rights for use on the Property, and shall not otherwise undertake any new development of water resources for use on the Property, unless Grantee determines that said action is not inconsistent with the preservation and protection of the Conservation Values.

2.3.3 Protection of Water Rights. Grantor shall cooperate with Grantee to help assure the continued use of the Water Rights in order to preserve and protect the Conservation Values. Grantor shall provide Grantee with a copy of any written notice received by Grantor from any state water official concerning the use or possible abandonment of the Water Rights.

2.3.4 Abandonment of Water Rights. If any portion of the Water Rights appear on the decennial abandonment list or Grantee determines that the Water Rights are otherwise subject to a threat of abandonment, Grantee shall give Grantor written notice of such threat of abandonment. If Grantor fails to cure the threat of abandonment within 90 days of receipt of said notice from Grantee, Grantee shall, in addition to any other remedies available to Grantor under the terms of this Easement including Section 9 hereof, have the right to (1) enter upon the Property and undertake any and all actions reasonably necessary to continue the historical use of the Water Rights; (2) seek removal of the Water Rights from the decennial abandonment list; (3) seek to change the Water Rights to another Permitted Water Use; and (4) sell or otherwise convey all or part of such Water Rights to the Colorado Water Conservation Board or other entity for the specific conservation purpose of protecting or enhancing instream flows and/or water

levels in streams, rivers, lakes, and reservoirs to preserve or improve the natural environment of such water body(s).

2.4 Utility Systems. The installation of new utilities, or repair, maintenance, extension or relocation of existing utilities may be permitted under this Easement, with prior written notice to Grantee, if construction is underground and is in accordance with the Management Plan and does not significantly impair or interfere with the Conservation Values. The general location of all utilities and deeded utility easements on the Property will be mapped as part of the Management Plan.

2.5 Boomerang Road. Grantor and Grantee acknowledge that a pre-existing right of way for San Miguel County Road 64F, also referred to as Forest Service Road 632, also known as Boomerang Road, crosses the Property, and the parties recognize all rights to the same under the jurisdiction of San Miguel County. If the Grantor should acquire rights to Boomerang Road as the same traverses the Property, the terms and restrictions of this Easement shall fully apply to Boomerang Road, subject to any pre-existing private rights to continue to use Boomerang Road.

2.6 Weed Control. Weed control shall be undertaken by Grantor on the basis of the best management practices commonly used at the time of application. Grantor shall have responsibility for compliance of the Property with the Colorado Noxious Weed Act (C.R.S. Sections 35-5.5-101 to 35-5.5-119) and any other governmental noxious weed control regulations. Agricultural chemicals may be used for the following purposes and under the following conditions:

2.6.1 For the control of noxious weeds, as required by Colorado state law, and for the control of other invasive exotic plant species; provided that chemical herbicides may be used only in those amounts and with a frequency of application that constitute the minimum necessary for control; and that the herbicide is not applied by aerial spraying.

2.6.2 For the control of agricultural or forest pests, in accordance with the Management Plan.

2.6.3 Use of biological weed and insect control agents, in accordance with the Management Plan.

2.7 Limited Environmental and Cultural Educational Uses. Grantor and Grantee intend to permit limited environmental and cultural educational uses of the Property conducted by non-profit or charitable organizations, as will be specifically authorized by Grantor or an agency of Grantor pursuant to the Management Plan, provided these activities do not significantly impair or interfere with the Conservation Values.

2.8 Limited Signage. Limited educational, interpretive, public information and directional signage is permitted on the Property, which may include temporary signs for restoration or remediation activities on the Property as well as wildlife or natural resource closures on the Property.

2.9 Limited Trails. Improvements to existing trails are permitted and the construction of new trails, including ancillary trail structures such as bridges, culverts, boardwalks, railings and retaining walls, are permitted on the Property, in accordance with the Management Plan, so long as such improvements and/or construction do not significantly impair or interfere with the Conservation Values.

3. Management Plan. Grantor and Grantee have prepared and executed a Management Plan, dated August 2009, which identifies appropriate land areas for the uses authorized herein as well as program specifics for conducting allowed activities (the "Management Plan"). Grantor and Grantee commit to update the Management Plan at least every four (4) years, or sooner if it is determined by both parties to be in the best interest of the Conservation Values of the Property. Until any changes to the Management Plan have been agreed to in writing by Grantor and Grantee, the prior Management Plan in place shall remain in effect.

4. Rights of Grantee. To accomplish the purpose of this Easement the following rights are conveyed to Grantee by this Easement:

- 4.1 To preserve and protect the Conservation Values of the Property;
- 4.2 To enter upon the Property at reasonable times in order to monitor Grantor's compliance with and otherwise enforce the terms of this Easement;
- 4.3 To prevent any activity on or use of the Property that is prohibited by or inconsistent with the purpose of this Easement and to require the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or uses, except as set forth in Section 13 hereof;
- 4.4 To review and approve or deny requests from the Grantor for uses of the Property which are neither expressly granted nor specifically prohibited by this Easement; Grantee may deny requests if Grantee reasonably determines such uses would significantly impair or interfere with the Conservation Values of the Property.
- 4.5 To enjoy any activity on or any use of the Property that is prohibited by or inconsistent with this Easement.

5. Prohibited Uses. Any activity on or use of the Property inconsistent with the purpose of this Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

- 5.1 Construction of Structures or Improvements. The construction of any new structure or improvement is prohibited, except those otherwise identified herein in this Easement. Existing structures or improvements, identified in the Baseline Reports, may be preserved, restored, repaired, maintained or

removed, provided such use of the structures or improvements is in accordance with the Management Plan.

- 5.2 Fences. Construction of fences is prohibited, except for delineation of the Property boundary, fences required to control the movement of people on the Property, those required to protect certain environmentally sensitive or culturally significant areas on the Property, those required for wildlife management, those required for temporary remediation or restoration of the Property and those required for repair or maintenance of authorized improvements. Any new fences on the Property must be constructed in accordance with the Management Plan and following prior written approval by the Grantee.
- 5.3 Livestock. Grazing of livestock is prohibited unless provided for in the Management Plan for range improvement.
- 5.4 Subdivision and Annexation. Any division or subdivision of title to the Property, whether by physical or legal process, is prohibited except as may be required to vacate existing platted lots and rights of way. The aggregation of legal parcels on the Property is not subject to this limitation. In addition, nothing in this provision or this Easement shall be deemed to prohibit Grantor from annexing the Property into the corporate and municipal boundaries of the Town of Telluride, provided that (a) no development is associated with such annexation, (b) any such annexation must be made subject to the terms and restrictions of this Easement, and (c) if all or part of the Property is annexed into the Town of Telluride, the annexed parcel shall be zoned in an appropriate zoning district consistent with the development limitations of this Easement.
- 5.5 Timber Harvesting. Timber harvesting on the Property shall be prohibited. Trees may be cut to control insects and disease, to control invasive non-native species, to mitigate wildfire danger and to prevent personal injury and property damage, in accordance with the Management Plan.
- 5.6 Mining/Surface Alteration. Any activity related to the exploration for, or development or extraction of, soil, sand, gravel, rock, lodes of quartz or other rock in place bearing gold, silver, cinnabar, lead, tin, copper or other valuable deposits, peat, oil, natural gas, fuel, or any other mineral or hydrocarbon substance, is prohibited. Removal of gravel, rock, and soil for river channel maintenance or restructuring of the river channel and sediment detention facility is subject to Grantee's prior written approval (except as required to implement and maintain the Management Plan and Remediation Plan, and for emergency flood and erosion activities). The creation, preservation or enhancement of wetlands in addition to those described in the Management Plan is subject to Grantee's prior written approval.

- 5.7 Paving. No portion of the Property shall be paved or otherwise covered with concrete, asphalt, or any other paving material without the prior written approval of Grantee.
- 5.8 Dumps/Trash. Any dumping or uncontained accumulation of any kind of trash, refuse, debris, fill material or Hazardous Material, as that term is defined under any applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation as may be amended from time to time, is prohibited.
- 5.9 Commercial or Industrial Activity. No industrial uses shall be allowed on the Property. No Commercial uses are permitted by third parties, except those limited activities recognized in Section 2.7 hereinabove.
- 5.10 Wetlands and Stream Buffer. Draining, filling, dredging, or diking a wetland area located on the Property is prohibited unless authorized by and in accordance with the Management Plan and local, state and federal law.
- 5.11 Motorized Vehicles. Motorized vehicles on the Property are prohibited (subject to any rights that may exist pursuant to Section 2.5, hereinabove), except for authorized personnel when necessary for patrol, rescue, maintenance, restoration and remediation activities, park and recreation equipment as authorized by and in accordance with the Management Plan and motorized vehicular access as approved in writing by Grantee for any allowed temporary use.
- 5.12 Erosion and Pollution. Any use or activity that cause or is likely to cause significant soil degradation or erosion or significant pollution of any surface or subsurface waters, is prohibited.
- 5.13 Golf-Related Activities and Playing of Golf. Golf-related activities and the playing of golf are expressly prohibited on the Property.
- 5.14 Hunting and Hunting Access. Hunting and using the Property to access nearby areas on which to hunt is expressly prohibited. However, the Grantee and Grantor may agree to provide for the emergency culling of a wildlife species solely to avoid an outbreak of a disease or other infestation or to prevent environmental damage to other Conservation Values on the Property.
- 5.15 Camping. Except for temporary camping associated with a major festival, defined as exceeding 10,000 participants, held within the Town of Telluride (for a duration no longer than such major festival is approved by the Town) as provided in Section 2 of this Easement, camping is prohibited on the Property.
- 5.16 Roads. No new permanent roads may be constructed on the Property.

5.17 Athletic Fields and Sports Courts. No athletic playing fields or sports courts may be constructed on the Property.

6. Reserved Rights. Grantor reserves to itself, and to its successors, and assigns, all rights accruing from the ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein and are not inconsistent with the purpose of this Easement or inconsistent with the Management Plan. Grantee may deny a request for a change in the use of the Property if, in the opinion of the Grantee, the exercise of such rights would significantly impair or interfere with the Conservation Values.

7. Baseline Reports. Competent naturalists familiar with the Property have prepared a collection of baseline data on the Property and its resources that have been compiled into two baseline reports. The *Baseline Documentation Report: Telluride Valley Floor Conservation Easement*, prepared by Steve Boyle of BIO-Logic, Inc. and dated August 22, 2008, and the *Telluride Valley Floor Environmental Report*, prepared by Ecological Resource Consultants, Inc. and dated March 23, 2009, shall collectively be referred to as the "Baseline Reports." The Baseline Reports will be kept on file at the offices of Grantee with a copy to Grantor and by this reference made a part hereof. The Baseline Reports will be used by Grantee to assure that any future changes in the use of the Property will be consistent with the terms of this Deed. However, the Baseline Reports are not intended to preclude the use of other evidence to establish the condition of the Property as of the date of this Deed. The parties acknowledge that the Baseline Documentation Reports are intended to establish the condition of the Property subject to the Easement as of the date written above, and that both parties have acknowledged in a signed statement, a copy of which is attached hereto and incorporated herein as Exhibit D, that the Baseline Documentation Reports accurately represent the condition of the Property at the time of the conveyance of this Easement to Grantee.

8. Grantee's Approval. Where Grantee's approval is required, Grantee shall grant or withhold its approval in writing within sixty (60) days of receipt of Grantor's written request therefor. Grantee's approval may be withheld only upon a reasonable determination by Grantee that the action as proposed would be prohibited by or inconsistent with the purpose of this Easement. Failure of Grantee to timely respond will be deemed approval.

9. Enforcement. Grantee shall have the right to prevent and correct or require correction of violations of the terms and purposes of this Deed. Grantee may enter the Property for the purpose of inspecting for violations. If Grantee finds what it believes is a violation, Grantee shall immediately notify Grantor in writing of the nature of the alleged violation. Upon receipt of this written notice, Grantor shall either (a) restore the Property to its condition prior to the violation; or (b) provide a written explanation to Grantee of the reason why the alleged violation should be permitted. If the condition described in clause (b) above occurs, both parties agree to meet as soon as possible to resolve this difference. If a resolution of this difference cannot be achieved at the meeting, both parties agree to meet with a mutually acceptable mediator to attempt to resolve the dispute. When, in Grantee's opinion, an ongoing or imminent violation could diminish or impair the Conservation Values of the Property, Grantee may, at its discretion, take appropriate legal action. Grantor shall discontinue any activity that could increase or expand the alleged violation during the mediation process. Should mediation fail to

resolve the dispute, Grantee may, at its discretion, take appropriate legal action. If a court with applicable jurisdiction in San Miguel County determines that a violation is imminent, exists, or has occurred, Grantee may get an injunction to stop it, temporarily or permanently. A court may also issue an injunction to require Grantor to restore the Property to its condition prior to the violation.

10. Costs of Enforcement. Any reasonable costs incurred by Grantee either in enforcing the terms of this Easement against Grantor, including without limitation, costs of suit and attorney's fees, and any reasonable costs of restoration necessitated by Grantor's violation of the terms of this Easement, shall be borne by Grantor.

11. Joint Defense. If a third party brings legal claims as to the legal validity of this Easement, challenges Grantee's enforcement of this Easement or otherwise challenges any provisions of this Easement, the parties shall cooperate and jointly and vigorously defend this Easement with Grantor being the lead party in defending and bearing the costs associated with the joint legal defense of the Easement. If Grantee believes that its legal interests are not adequately defended and/or represented by Grantor, Grantee may retain independent legal counsel to defend the third party challenge.

12. Grantee's Discretion. Enforcement of the terms of this Easement shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any term of this Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Easement or of any of the Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.

13. Acts Beyond Grantor's Control. Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including without limitation, fire, flood, storm, earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

14. Access. This Easement permits the Grantor to grant public access to the Property under terms and conditions determined by Grantor that are consistent with the terms of this Easement, subject, however, to the provisions of the Management Plan.

15. Taxes. Grantor is a governmental entity exempt from taxes and assessments and no taxes will be imposed upon, or incurred by Grantee as a result of this Easement.

16. Hold Harmless. Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property. Grantor agrees to the extent permitted by law to indemnify and hold harmless Grantee, its officers, directors, employees, agents, and insurers from and against all liability, claims, and demands on account of injury, loss or damage, including, without limitation (a) claims arising from bodily injury, personal injury, sickness, disease, weather, property loss or damage, natural

resource loss or damage, (b) the presence or release in, on, from, or about the Property, at any time of any substance now or hereafter defined, listed or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating the air, water, or soil, or in any way harmful or threatening to human health or the environment, unless caused solely by Grantee, or (c) any other loss of any kind whatsoever, asserted against Grantee as the holder of this Easement and any public recreational uses which occur on the Easement pursuant to this Easement agreement. Grantor agrees to investigate, handle, respond to, provide defense for, and defend against any such liability, claims, or demands at the sole expense of Grantor. Grantor also agrees to bear all other costs and expenses related thereto, including court costs and attorneys' fees, whether or not any such liability, claims or demands are groundless, false, or fraudulent. The obligations under this paragraph shall not extend to any injury, loss or damage which is caused solely by the act, omission, or other fault of Grantee or its employees or agents, and nothing herein shall be construed to abrogate or diminish any protections and limitations as afforded to Grantor or Grantee under the Colorado Governmental Immunity Act, C.R.S. §24-10-101, et. Seq., or the Owners of Recreational Areas statute, C.R.S. §33-41-101, et. seq., as amended, or other law. In accordance with the foregoing standard, and in the event Grantor and Grantee may be held jointly and severally liable under any statute, decision, or other law providing for such joint and several liability for their respective activities on the Property, the obligations of each to respond in damages shall be apportioned, as between Grantor and Grantee in proportion to the contributions of each as measured by the acts and omissions of each which, in fact, caused such legal injury, damage, or harm, and Grantor and Grantee each shall indemnify the other to the extent necessary to assure such apportionment.

17. Insurance. Grantor agrees to name Grantee as a named insured on Grantor's property insurance policy(ies) covering the Property, and to annually provide to Grantee an insurance certificate evidencing Grantee as a named insured under said policy(ies).

18. Assignment. Grantee may assign its rights and obligations under this Easement only to an organization that is (a) a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder, (b) authorized to acquire and hold conservation easements under Colorado law, and (c) approved as a transferee by the Grantor. As a condition of such transfer, Grantee shall require that any assignment will continue to carry out the conservation purposes that this Conservation Easement is intended to advance. The Grantor shall have the right to require Grantee to assign its rights and obligations under this Easement to a different organization if Grantee ceases to exist or for any reason fails or refuses to enforce the terms and provisions of this Easement. If Grantee ceases to exist prior to an assignment of this Easement, then the Easement shall automatically revert to an organization designated by the Grantor that is (a) a qualified organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986, as amended (or any successor provision then applicable), and the applicable regulations promulgated thereunder; (b) authorized to acquire and hold conservation easements under Colorado law; and approved as a transferee by the Grantor.

19. Change in Circumstances. The fact that a use of the Property that is prohibited by this Easement, or any other uses as determined to be inconsistent with the purpose of this Easement, may become greatly more economically valuable than the uses permitted by this Easement, or that neighboring property may in the future be put entirely to uses that are not

permitted hereunder, has been considered by Grantor in granting the Easement. It is Grantor's belief that any such changes will increase the benefits of the continuation of this Easement, and it is the intent of both Grantor and Grantee that any changes should not be assumed to be circumstances justifying the extinguishment or termination of this Easement. In addition, the inability to carry on any or all of the permitted uses, or the unprofitably of doing so, shall not impair the validity of this Easement or be considered ground for its termination or extinguishments. The total loss of all the Conservation Values on the Property is the only grounds under which this Easement can be terminated.

20. Grantor's Representations and Warranties. Grantor represents and warrants that it is the owner of the Property, pursuant to that certain Rule and Order of the San Miguel County District Court in case number 04 CV 22, dated June 20, 2008 and recorded in the real property records of San Miguel County on June 23, 2008, subject to the exceptions to title contained in the Rule and Order. Grantor further represents that the Property has not been and will not be used as collateral or security for any public bonds or other financing mechanism. Grantor further represents that it has not granted or conveyed any property interest in the Property to any third party subsequent to acquiring ownership of the Property. Grantor hereby promises to defend title to the Property against all claims that may be made against Grantee by any person claiming by, through, or under Grantor. Should the Grantor be issued a title insurance policy for the Property, Grantee shall be named as an additional insured on such title insurance policy.

21. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by certified mail, return receipt requested, and in the event a written approval or consent is required of Grantor, at least sixty (60) days prior to the date any such approval is desired, to the following addresses:

To Grantor:

Town of Telluride
c/o Town Manager
P.O. Box 397
113 W. Columbia Avenue
Telluride, Colorado 81435

To Grantee:

San Miguel Conservation Foundation
P.O. Box 2466
Telluride, CO 81435

Or to such other address as either party from time to time shall designate by written notice to the other.

22. Recordation. Grantee shall record this instrument in a timely fashion in the official records of the County of San Miguel and the Grantee may re-record it at any time as may be required to preserve its rights in this Easement.

23. General Provisions.

- 23.1 Controlling Law. The laws of the State of Colorado shall govern the interpretation and performance of this Easement.
- 23.2 Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the purpose of this Easement and the policy and purpose of C.R.S. Section 38-30.5-101 et. seq. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid. In the event of any conflict between the provisions of this Easement and the provisions of any use and zoning restrictions of the state or county in which the Property is located, or any other governmental entity with jurisdiction, the more restrictive provisions shall apply. This Easement shall be interpreted in accordance with the laws of the State of Colorado. No remedy or election given by any provision in this Easement shall be deemed exclusive unless so indicated, but it shall, wherever possible, be cumulative with all other remedies at law or in equity. The parties acknowledge that each party and its counsel have reviewed and revised this Easement and that no rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Easement.
- 23.3 Severability. If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid by a court of competent jurisdiction, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.
- 23.4 Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Easement, all of which are merged herein.
- 23.5 No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.
- 23.6 Successors. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns, and shall continue as a servitude running in perpetuity with the Property.
- 23.7 Termination of Rights and Obligations. A party's rights and obligations under this Easement terminate upon transfer of the party's interest in the

Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive the transfer.

23.8 Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

23.9 Amendment. Any amendment must be consistent with the conservation purposes of this instrument and may not affect its perpetual duration. Any amendment must be in writing, agreed to and signed by both parties and recorded in the records of the Clerk and Recorder of San Miguel County.

23.10 No Third Party Beneficiaries. This Easement is entered into by and between Grantor and Grantee and does not create enforcement rights or responsibilities in any third parties, including the public.

23.11 Development Rights. Grantor hereby grants to Grantee all development rights on the Property. The parties further agree that such development rights on the Property are forever released, terminated and extinguished.

23.12 Termination Proceeds. This Easement constitutes a real property interest immediately vested in Grantee which has a proportionate share of the value of the Property expressed as a fraction, with a numerator of the value of the Easement and a denominator of the value of the Property without regard to the Easement. In the event of a termination of the Easement in whole or in part, the Grantee shall be paid its proportionate share of the proceeds from the sale or other disposition of the Property, or any portion thereof, following termination. For the purposes of this Section, the value of this Easement shall be determined by appraisal in accordance with the foregoing formula at the time of the termination of the Easement.

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGES FOLLOW]*

GRANTEE

By: Gary Hickcox
Its: Executive Director

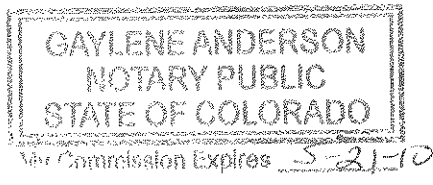
By: _____
Its: _____

STATE OF COLORADO)
) ss.
County of San Miguel)

The foregoing was acknowledged before me on the 5th day of August, 2009, by Gary Hickcox, Executive Director and _____, Secretary, on behalf of San Miguel Conservation Foundation, a Colorado nonprofit corporation.
WITNESS my hand and official seal. My commission expires:

[Signature]

Notary Public



**EXHIBIT A
PROPERTY DESCRIPTION
VALLEY FLOOR DEED OF CONSERVATION EASEMENT**

A tract of land located within portions of Sections 33, 34 and 35 of Township 43 North, Range 9 West, New Mexico Principal Meridian, County of San Miguel, State of Colorado, more fully described as follows:

That portion of the Denver Placer, Mineral Survey No. 12119, Upper San Miguel Mining District lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue, and lying east of the easterly right-of-way of Colorado State Highway 145, Federal Aid Project No. S0153(13), also containing portions of Tracts 1,3,7 and 8 as described in Reception No. 332079 and Reception No. 332080 both recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

That portion of the Missouri Placer, Mineral Survey No. 5210, Upper San Miguel Mining District lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue, also containing portions of Tracts 1,3,5,6,7 and 8 as described in Reception No. 332079 and Reception No. 332080 both recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

That portion of the Kokomo Placer, Mineral Survey No. 1560, Upper San Miguel Mining District lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue,
LESS AND EXCEPT the following described property:

Beginning at corner No. 1 of said Placer;

Thence South 10° West along the East line of said Placer a distance of 461.7 feet;

Thence North 80°50' West a distance of 638.3 feet;

Thence North 16°30' West a distance of 37.0 feet;

Thence North 23° East a distance of 467.0 feet to the North line of said Placer;

Thence Easterly along the North line of said Placer a distance of 550.0 feet to corner No. 1 and the Point of Beginning;

AND LESS AND EXCEPT the following described property:

Beginning at corner No. 3 of the above described parcel;

Thence Northwest along the Southerly line of the former County Road a distance of 1386.0 feet to corner No. 2 on the North line of said Placer;

Thence Easterly along the North line of said Placer a distance of 1323.0 feet to corner No. 5 of the above described tract;

Thence South 23° West a distance of 467.0 feet;

Thence South 16° 30' East a distance of 37.0 feet to the Point Of Beginning,

also containing portions of Tracts 1,3,5,6,7,8 and 10 as described in Reception No. 332079 and Reception No. 332080 both recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

That portion of the Ohio Placer, Mineral Survey No. 194, Upper San Miguel Mining District TOGETHER WITH that portion of the Townsite of San Miguel according to the plat filed in the office of the Clerk and Recorder of San Miguel County in Plat Book 28 at page 27, lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue, LESS AND EXCEPT Lots 1 through 7, Inclusive, Block 14 of said Townsite of San Miguel, AND LESS AND EXCEPT the following described property:

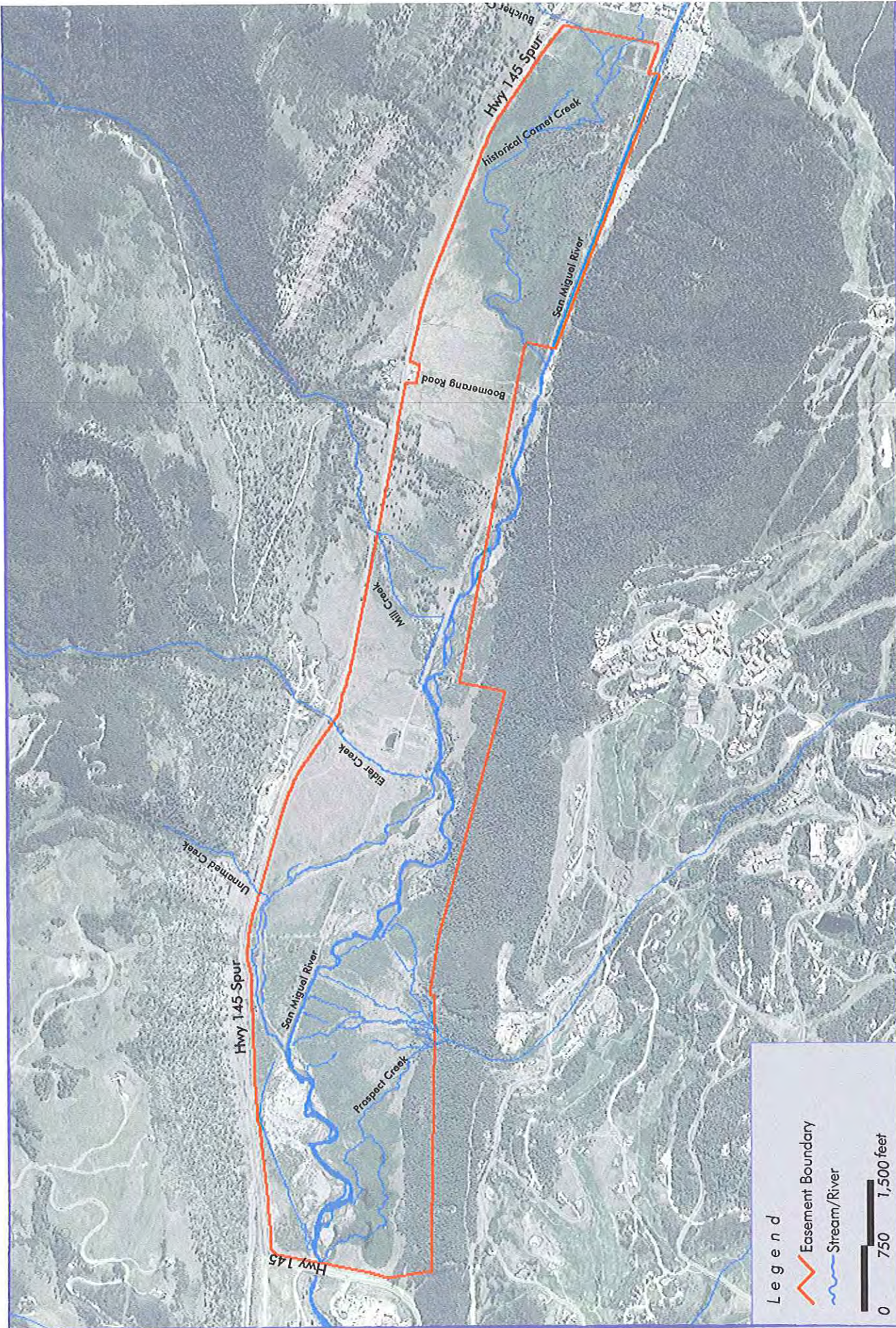
Beginning at the Northwest corner of Lot 1, Block 14, San Miguel Townsite, according to the amended Plat thereof on file in the records of the San Miguel Clerk and Recorder; Thence North 79°48' West a distance of 172.22 feet to a point whence the Northwest corner of Lot 7 in Block 14 bears North 79°48'00" West a distance of 2.78 feet; Thence South 08°38'42" West a distance of 111.54 feet along the existing fence line; Thence South 78°03'23" East a distance of 119.25 feet; Thence South 10°12' West a distance of 7.49 feet; Thence South 78°03'23" East a distance of 58.62 feet; Thence North 02°58'01" East a distance of 5.45 feet; Thence North 78°03'23" West a distance of 7.90 feet; Thence North 10°12'00" East a distance of 119 feet to the Point Of Beginning, also containing portions of Tracts 7,8,10,11,13 and 15 as described in Reception No. 332079 and Reception No. 332080 both recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

That portion of the Virginia Placer, Mineral Survey No. 658, Upper San Miguel Mining District lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue, LESS AND EXCEPT those portions conveyed by Deeds recorded in the office of the Clerk and Recorder of San Miguel County on June 30, 1987 in Book 437 at page 100 and in Book 437 at page 102, also containing portions of Tracts 13 and 15 as described in Reception No. 332079 and Reception No. 332080 both recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

LESS AND EXCEPT that portion described as San Miguel Valley Corporation Employee Housing Tract Annexation, recorded in the Office of the San Miguel County Clerk and Recorder in Plat Book 1 at Page 1046 containing 12.9570 acres of land, more or less.

That portion of the Dakota Placer, Mineral Survey No. 2238, Upper San Miguel Mining District more fully described as follows:
Beginning at a Point on the West line of said Placer whence corner No. 7 of said Placer bears North 10° East a distance of 938.8 feet;
Thence South 10° West a distance of 1222.5 feet;
Thence South 70°06' East a distance of 344;
Thence North 10°15' East a distance of 1122.4 feet;
Thence North 56° West a distance of 395 feet to the Point of Beginning, lying south of the southerly right-of-way of former Colorado State Highway 145B, Federal Aid Project No. S0150(3), now known as West Colorado Avenue, also containing portions of Tract 15 as described in Reception No. 332080 recorded in the office of the Clerk and Recorder of San Miguel County on January 25, 2000;

TOTAL ACREAGE of all the above described tracts contains 560 acres, more or less.



Conservation Easement Exhibit B

EXHIBIT C

WATER RIGHTS TO BE ACQUIRED BY THE TOWN OF TELLURIDE

This condemnation includes all water and water rights, ditch and ditch rights and related interests in the ditches, headgates, pipelines, and related structures that were historically used on or in connection with the land described in Exhibit A to the Petition in Condemnation (Exhibit "A"), as well as return flows from the use of water under the ditches described below and any surplus water diverted by such ditches to the extent such return flows or surplus water historically contributed to the supply for irrigation of the lands described on Exhibit A after diversion by the ditches described below or first use of such water for irrigation of lands on the north side of Highway 145 lying north of the lands described on Exhibit A. The intent of this description is to include all water rights and related property interests necessary to continue the historical irrigation practices and related water delivery, distribution and use on the lands described on Exhibit A, including, without limitation, the following described water rights:

1. A 45.5% interest in the 1.25 cubic feet of water per second of time (cfs) adjudicated to the Ohio and Kokomo Flood and Waste Ditch for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 106 with an appropriation date of June 1, 1903 by decree of the District Court in and for Montrose County in Case No. 1627 dated June 9, 1911, as well as the right to the continuation of any return flow and surplus water from the remaining 54.5% interest in said Priority No. 106 to the extent such return flow or surplus water historically contributed to the supply of irrigation water for the lands described on Exhibit A. Said 45.5% interest amounts to 0.569 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the Ohio and Kokomo Flood and Waste Ditch to the total acreage historically irrigated by such ditch.

2. A 45.5% interest in the 3.0 cfs adjudicated to the Ohio and Kokomo Flood and Waste Ditch for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 252 with an appropriation date of June 2, 1903 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939, as well as the right to the continuation of any return flow and surplus water from the remaining 54.5% in said Priority No. 252 to the extent such return flow or surplus water historically contributed to the supply of irrigation water for the lands described on Exhibit A. Said 45.5% interest amounts to 1.365 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the Ohio and Kokomo Flood and Waste Ditch to the total acreage historically irrigated by such ditch.

3. An 84.9% interest in the 1.25 cfs adjudicated to the House Flood and Waste Ditch for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 107 with an appropriation date of June 1, 1903 by decree of the District Court in and for Montrose County in Case No. 1627 dated June 9, 1911, as well as the right to the

continuation of any return flow and surplus water from the remaining 15.1% interest in said Priority No. 107 to the extent such return flow or surplus water historically contributed to the supply of irrigation water to the lands described on Exhibit A. Said 84.9% interest amounts to 1.061 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the House Flood and Waste Ditch to the total acreage historically irrigated by such ditch.

4. An 84.9% interest in the 1.25 cfs adjudicated to the Mill Creek Ditch No. 1 for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 219 with an appropriation date of July 1, 1889 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939, as well as the right to the continuation of any return flow and surplus water from the remaining 15.1% interest in said Priority No. 219 to the extent such return flow or surplus water historically contributed to the supply of irrigation water for the lands described on Exhibit A. Said 84.9% interest amounts to 1.061 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the Mill Creek Ditch No. 1 to the total amount of acreage historically irrigated by such ditch.

5. An 84.9% interest in the 1.5 cfs adjudicated to the Mill Creek Ditch No. 1 Enlargement for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 228 with an appropriation date of July 2, 1894 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939, as well as the right to the continuation of any return flow and surplus water from the remaining 15.1% interest in said Priority No. 228 to the extent such return flow or surplus water historically contributed to the supply of irrigation water for the lands described on Exhibit A. Said 84.9% interest amounts to 1.274 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the Mill Creek Ditch No. 1 Enlargement to the total amount of acreage historically irrigated by such ditch.

6. An 84.9% interest in the 0.50 cfs adjudicated to the Mill Creek Ditch No. 1, Boyer Enlargement for diversion from Mill Creek, a tributary of the San Miguel River, under Priority No. 247 with an appropriation date of June 15, 1901 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939, as well as the right to the continuation of any return flow and surplus water from the remaining 15.1% interest in said Priority No. 247 to the extent such return flow or surplus water historically contributed to the supply of irrigation water for the lands described on Exhibit A. Said 84.9% interest amounts to 0.426 cfs and is based on the proportion of the land on Exhibit A that was historically irrigated by the Mill Creek Ditch No. 1, Boyer Enlargement to the total amount of acreage historically irrigated by such ditch.

7. All of the 1.25 cfs adjudicated to the Missouri Ditch for diversion from Prospect Creek, a tributary of the San Miguel River, under Priority No. 220 with an appropriation date of July 1, 1889 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939.

8. All of the 1.25 cfs adjudicated to the Prospect Ditch No. 2 for diversion from Prospect Creek, a tributary of the San Miguel River, under Priority No. 221 with an appropriation date of July 1, 1889 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939.

9. All of the 3.0 cfs adjudicated to the Eder Creek Ditch for diversion from Eder Creek, a tributary of the San Miguel River, under Priority No. 226 with an appropriation date of July 1, 1891 by decree of the District Court in and for Montrose County in Case No. 4641 dated November 1, 1939.

Together with such historical easements or rights of way as reasonably necessary for the operation, maintenance and repair of the above described ditches and for the diversion, measurement and delivery of water through such ditches and related structures in the amounts described above, as well as historical easements or rights of way for access across any public or private land as reasonably necessary and customarily used to access the headgates, ditches and related structures for the purposes of operation, maintenance and repair of the above described ditches. Such easements for the operation, maintenance or repair of the above-described ditches shall extend from the point of diversion from the stream or other water course described below and shall extend along the course of such ditches to the point that they enter the land described on Exhibit A and shall include the use of so much land on either side of such ditches as is reasonably necessary for the operation, maintenance and repair of such ditches, including, without limitation, use for the placement of material removed from the ditches during cleaning. The easements shall include the right to travel over private roadways, trails or other access as is reasonable and customary to access such ditches and related structures and to use such equipment as is reasonably and customarily used in the operation, maintenance and repair of such ditches.

The decreed locations of the headgates of the ditches that are located on lands other than those described on Exhibit A are as follows:

Ohio and Kokomo Flood and Waste Ditch: In Civil Action 4641 described as on the west bank of Mill Creek at a point whence the southeast corner of the Mineto Placer, U.S. Survey No. 5418 U.S.M.D. bears south 4° west 250 feet and said ditch runs southerly. Also described in Civil Action No. 1627 as located on Mill Creek about 200 feet below the mouth of Mill Creek Canon and at a point whence witness corner to the southwest corner of Section 34, Township 43 North, Range 9 West N.M.P.M. bears south $58^{\circ} 12'$ west 7,770 feet;

House Flood and Waste Ditch: At a point in a valley about 200 feet below the mouth of Mill Creek Canon whence the witness corner of the southwest corner of Section 34, Township 43 North, Range 9 West, N.M.P.M. bears south $58^{\circ} 30'$; west 7,781.5 feet;

Mill Creek Ditch No. 1, Mill Creek Ditch No. 1 Enlargement, and Mill Creek Ditch No. 1, Boyer Enlargement: On Mill Creek at a point whence the southeast corner of the Mineto Placer, U.S. Survey No. 5418, U.S.M.D., bears S 8° 55' W. 695 feet;

EXCLUSION:

The description of water rights above is specifically intended to exclude (1) the Carr and Waddle Ditch water rights, (2) that portion of the Ohio and Kokomo Flood and Waste Ditch water right that was historically consumed in the irrigation of the 12.0 acres of irrigated land under said ditch lying north of State Highway 145, and (3) that portion of the House Flood and Waste Ditch, the Mill Creek Ditch, the Mill Creek Ditch Enlargement, and the Mill Creek Ditch Boyer Enlargement water rights that was historically consumed in the irrigation of 10.4 acres of irrigated land under said ditches lying north of State Highway 145, in accordance with the October 29, 2002 Stipulation and Settlement Agreement among the Town of Telluride, San Miguel Valley Corporation and others in Case No. 96CW313, District Court for Water Division No. 4, State of Colorado.

OWNER ACKNOWLEDGEMENT STATEMENT

Property Name: Telluride Valley Floor Conservation Easement

Grantor: Town of Telluride, Colorado

Grantee: San Miguel Conservation Foundation


Conservation Easement Summary

The Telluride Valley Floor conservation easement (hereafter, the property) comprises approximately 560 acres. The property occupies the valley floor of the San Miguel River immediately west of Telluride, in unincorporated San Miguel County, Colorado.

The conservation easement will protect the following conservation values on the property: natural and ecological values including sensitive riparian areas, wetlands, and aquatic habitats, forests, and meadows, together comprising significant relatively natural habitat for native plants and wildlife; outstanding scenic values.

This Baseline Documentation Report is an accurate representation of the property at the time of the conservation easement donation.

GRANTORS:


 Representative, Town of Telluride

12/3/08

Date

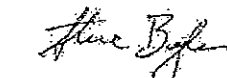
GRANTEE:


 Gary Hickox, San Miguel Conservation Foundation

12/3/08

Date

REPORT PREPARER:


 Steve Boyle, BIO-Logic, Inc.

Date

Appendix C
Public Process Summary

PUBLIC PROCESS SUMMARY

The resource and management issues identified and the management recommendations described in the Environmental Report provided the basis for the policies that are documented in this Management Plan. Public input and dialogue on the management issues and priorities for the Valley Floor has been ongoing since the initiation of the Environmental Report process. After the completion of the Environmental Report, management policies for the Valley Floor were further refined by the Open Space Commission and the Town Council. The public meetings and educational forums that have guided the development of this management plan are listed below.

Environmental Report Process

- Public Meeting #1 – Project Initiation. July 24, 2008
- Public Meeting #2 – Presentation of Findings. September 25, 2008
- Educational Forum #1 – Study Area Characteristics. October 2, 2008
- Educational Forum #2 – Management Concerns. December 8, 2008
- Educational Forum #3 – Management Concerns. December 9, 2008
- Public Meeting #3 – Draft Report Presentation. February 3, 2009
- Public Meeting #4 – Final Report Presentation. March 23, 2009

Telluride Open Space Commission Management Plan

- Public Worksession – February 2, 2009
- Public Worksession – February 9, 2009
- Public Worksession – February 23, 2009
- Public Worksession – March 2, 2009
- Public Worksession – March 9, 2009
- Public Worksession – March 16, 2009
- Public Worksession – March 23, 2009
- Public Worksession – April 6, 2009
- Public Worksession – May 11, 2009
- Public Worksession – May 25, 2009
- Public Worksession – June 1, 2009
- Public Worksession – June 15, 2009
- Public Worksession – June 29, 2009
- Public Meeting – Recommendation to Town Council on Management Plan. July 6, 2009

Telluride Town Council

- Public Worksession – Management Plan. June 3, 2009
- Public Meeting – Management Plan Adoption. July 14, 2009

Telluride Valley Floor

Open Space Management Plan

