



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Colorado State Office

2850 Youngfield Street

Lakewood, Colorado 80215-7210

[www.co.blm.gov](http://www.co.blm.gov)



## Invitation for Bids and Bidding Instructions Saguache and Conejos Counties Solar Energy Zones San Luis Valley Field Office October 2013

The Colorado State Office of the Bureau of Land Management (BLM) will accept competitive bids to select a preferred applicant for a right-of-way (ROW) application and a plan of development for solar energy projects on approximately 3,705 acres of public land in Saguache and Conejos Counties, Colorado in the vicinity of Saguache and Romeo, Colorado. This is an administrative process to determine preferred applicants and does not result in the issuance of a ROW authorization.

**DESCRIPTION OF THE PREFERRED APPLICANT TO BE SELECTED:** The BLM will use a competitive sealed and oral bid process to select a preferred applicant for a ROW application and plan of development for solar energy project in the De Tilla Gulch Solar Energy Zone (SEZ) and the Los Mogotes East SEZ. The successful high bidder(s) for any of the parcels of public land offered must be prepared to submit a ROW application (SF-299) and a plan of development, consistent with the requirements of the regulations at 43 CFR 2804.12 and meet the requirements of 43 CFR 2803.10 within the timeframes specified. Such applications would be subject to cost recovery provisions, with the applicant responsible for actual costs of processing the proposed development and related facilities.

**LOCATION OF PUBLIC LANDS:** Bidders may submit bid packages for one or all three parcels located within two designated SEZs:

1. De Tilla Gulch SEZ – Approximately 1,064 acres within sections 29, 30, 31, 32, and 33 of T. 45 N., R. 9 E., New Mexico Principal Meridian, Saguache County, Colorado. This parcel lies approximately seven miles east of the town of Saguache, Colorado.
2. Los Mogotes East SEZ (north parcel) - Approximately 1,281 acres within sections 1 and 12 of T. 34N., R. 8 E., New Mexico Principal Meridian, Conejos County, Colorado. This parcel lies three miles west of the town of Romeo, Colorado.
3. Los Mogotes East SEZ (south parcel) - Approximately 1,360 acres within sections 13, 24, and 25 of T. 34N., R. 8 E., New Mexico Principal Meridian, Conejos County, Colorado. This parcel lies three miles west of the town of Romeo, Colorado.

Maps for each SEZ can be viewed at: [http://solareis.anl.gov/sez/detilla\\_gulch/index.cfm](http://solareis.anl.gov/sez/detilla_gulch/index.cfm) for the De Tilla Gulch map and [http://solareis.anl.gov/sez/losmogotes\\_east/index.cfm](http://solareis.anl.gov/sez/losmogotes_east/index.cfm) for the Los Mogotes East map.

### **LEGAL DESCRIPTION:**

De Tilla Gulch SEZ –

New Mexico Principal Meridian,

T. 45 N., R. 9 E.,

sec. 29, that portion of the S $\frac{1}{2}$  lying one-quarter mile southeasterly and parallel to the centerline of highway 285;

sec. 30, that portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  lying one-quarter mile southeasterly and parallel to the centerline of highway 285;

sec. 31, those portions of the NE $\frac{1}{4}$  and the SE $\frac{1}{4}$ NW $\frac{1}{4}$  lying one-quarter mile southeasterly and parallel to the centerline of highway 285; and those portions of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  and the N $\frac{1}{2}$ SE $\frac{1}{4}$  lying one-quarter mile north of and parallel to the centerline of the Old Spanish National Historic Trail as mapped by the National Park Service;

sec. 32, N $\frac{1}{2}$ , and that portion of the N $\frac{1}{2}$ SW $\frac{1}{4}$ , lying one-quarter mile north of and parallel to the centerline of the Old Spanish National Historic Trail as mapped by the National Park Service;

sec. 33, N $\frac{1}{2}$ NE $\frac{1}{4}$  and NW $\frac{1}{4}$ .

The areas described aggregate approximately 1,064 acres.

Los Mogotes East SEZ -

New Mexico Principal Meridian,

T. 34 N., R. 8 E.,

sec. 1, lots 1 to 4, inclusive, S $\frac{1}{2}$ N $\frac{1}{2}$ , and S $\frac{1}{2}$ ;

sec. 12;

sec. 13, NE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ , and NW $\frac{1}{4}$ SE $\frac{1}{4}$ ;

sec. 24, W $\frac{1}{2}$  and W $\frac{1}{2}$ SE $\frac{1}{4}$ ;

sec. 25, W $\frac{1}{2}$  and W $\frac{1}{2}$ E $\frac{1}{2}$ .

The areas described aggregate approximately 2,641 acres.

**PHYSICAL CONDITION OF THE LAND:** The De Tilla Gulch SEZ is in a gently sloping treeless plain. The scrubland vegetation reflects the arid climate. Vegetation is primarily low shrubs and grasses, with many areas of bare, generally tan soil or gravel. The SEZ is intersected with dry streambeds. Annual precipitation averages about 8 inches. Unpaved roads cross the SEZ, and some cleared areas are located in the northeastern portion of the SEZ where sand and gravel have been removed. The SEZ contains a windmill, wire fences, and a transmission line that runs north to south along the road on the eastern side of the SEZ. Part of the SEZ is authorized by the BLM for grazing. Little commercial or industrial activity exists in the surrounding area. A small landfill is located northeast of the SEZ, as are transmission lines and towers. Agricultural areas lie to the east and to the south. U.S. 285 borders the northwest boundary of the SEZ. Saguache County Road 55 runs north/south through the east side of the SEZ. An existing 115 kV transmission line is accessible to the SEZ.

The Los Mogotes SEZ lies on a flat alluvial fan. Scrubland vegetation reflects the arid climate. Vegetation is primarily low shrubs and grasses, with many areas of bare soil. Large groundwater

reserves underlie the area in several aquifers. Annual precipitation averages about 8 inches. No developments exist on the land. Part of the SEZ is authorized by the BLM for grazing. There are a few unpaved roads, fences, and some debris on the SEZ. Little commercial or industrial activity exists in the surrounding area. An extensive agricultural area lies to the east. U.S. 285 is located about three miles east of the SEZ. There are public access roads through the north and south parcels of the SEZ that run east/west. Conejos County Road 12 runs north/south and abuts the north parcel of the SEZ on the east side. An existing 69 kV transmission line is located about 3 miles to the east of the SEZ.

**KNOWN DEVELOPMENT CONSTRAINTS:** Detailed SEZ affected environment and impact assessment for De Tilla Gulch SEZ can be viewed at:

[http://solareis.anl.gov/sez/detilla\\_gulch/index.cfm](http://solareis.anl.gov/sez/detilla_gulch/index.cfm). Lost Mogotes East can be viewed at:

[http://solareis.anl.gov/sez/losmogotes\\_east/index.cfm](http://solareis.anl.gov/sez/losmogotes_east/index.cfm)

In addition to the environmental analysis completed during the PEIS, a list of additional resource studies/inventories within each SEZ includes:

Both SEZs - BLM Sensitive Species (2011-2012), Gunnison's prairie dog, Burrowing Owl, Mexican free-tail bat, and a LiDar contract for a visual impacts study which is a high resolution digital terrain data set used for SEZ 100-year flood mapping. An ethnographic study was completed for the entire San Luis Valley.

De Tilla Gulch SEZ - In addition to the above list, a 2011 inventory was completed to survey the linear features in the SEZ.

By disclosing the above referenced information, BLM provides no assurances that additional constraints are not present. Prior to bidding, interested parties are advised to conduct due diligence regarding development of the lands. Additional constraints on development are likely to be imposed during processing of any ROW application.

**TERMS AND CONDITIONS COMMON TO SOLAR ENERGY ROW GRANTS:** Bidders are advised that terms and conditions of BLM solar energy development ROW grants normally include, but are not limited to, requirements for rental payments, bonding, measures to prevent erosion, measures to protect certain wildlife species and habitat, mitigation of unavoidable impacts, and other design features. The Solar Energy Development Programmatic EIS Record of Decision (ROD) includes design features which are programmatic specific features that would be required for all utility-scale solar energy projects on BLM-administered public lands; and SEZ-specific design features that would be required for projects in individual SEZs. Additionally, Appendix B of the ROD describes updated and revised BLM policies and procedures relating to solar energy development on public lands. A copy of the ROD can be viewed and downloaded at: <http://solareis.anl.gov/>

**INSTRUCTIONS ON HOW TO BID:** An oral auction will be held at the Colorado State Office on October 24, 2013. Prior to the oral auction, sealed bids will be accepted and will be carried over to the oral auction. Sealed bids must be received, not postmarked, by the BLM Colorado State Office, to the address listed below, on or before October 15, 2013.

The oral auction will begin at 10 a.m. on October 24, 2013, at the Colorado State Office, 2850 Youngfield St., Lakewood CO 80215. The auction will open with the minimum bonus bid or the highest sealed bid over the minimum bonus bid, whichever is higher. Bidder registration begins at 9 a.m. In order to bid, you must provide the bidder's name and personal or business address. Each bid shall only contain the name of one bidder (i.e. citizen, association or partnership, corporation or municipality). A statement certifying the bidder's financial and technical capability to construct, operate, and maintain a solar energy development must be submitted. An administrative fee of \$48,169 is also required for each parcel for sealed bids and at registration from each bidder for the oral auction in the form of a cashier's or certified check made payable to the "Bureau of Land Management".

Sealed bids that are submitted must include the same required information for registration.

If you are submitting a sealed bid prior to the oral auction, all bidding documents must be enclosed in a sealed envelope with your name and return address on the outside. Include the following notation on the front lower left hand corner: SEALED BID – DO NOT OPEN. A minimum bonus bid has also been determined for each parcel. The minimum bonus bid represents 5 percent of the rent value of the land for one year (\$63 per acre for Saguache and Conejos counties) under the BLM's interim solar rental policy and is based on the interests acquired by a preferred applicant to file a ROW application in a SEZ. Minimum bonus bids for the three parcels are: De Tilla Gulch - \$3,352; Los Mogotes East (north parcel) - \$4,035; and Los Mogotes East (south parcel) - \$4,284. Bidders must use a bid statement to identify the bonus amount the bidder will pay for the right to submit a ROW application and plan of development. The bonus bid must meet or exceed the minimum bonus bid amount identified above for each parcel.

Sealed bids, including all required administrative fee deposits and documentation, must be submitted to: Bureau of Land Management, Attention Maryanne Kurtinaitis (CO-923), 2850 Youngfield St., Lakewood, CO 80215 on or before, October 15, 2013. All bids and relevant information must be received, not postmarked, by this deadline to be considered; given the time allowed for bidding, no extensions will be granted.

The Bid Statement must be signed and dated, and include all information and certifications as requested. Bids submitted in any other manner may be rejected. The BLM may, at its discretion, waive any minor informality or irregularity in bids received.

**SELECTION PROCESS AND CRITERIA:** BLM will conduct a review of the bid packages to determine qualified bidders. Incomplete packages will be returned without further review. BLM will select a preferred applicant based on the highest bidder for each parcel. If there is no bid received for a parcel, then no preferred ROW applicant will be identified and no application will be processed for solar energy development under the procedures listed in these bidding instructions. If the BLM is unable to determine the successful bidder, such as in the case of a tie, the BLM may re-offer the lands competitively to the tied bidders, or to all prospective bidders.

**NOTIFICATION:** All registered bidders will be notified of the results of the oral auction by letter or email within 10 calendar days of the bid closing as to the success of their bid.

**DEPOSITS OF UNSUCCESSFUL BIDDERS:** All bid deposits will be held by the BLM until bidding ends and the BLM selects the high bidder. After receipt of the bonus bid from the successful high bidder, with the exception of the deposit made by the successful high bidder, all other bid deposits will be refunded, without interest, to the address provided on the bid statement.

**DEPOSITS OF THE SUCCESSFUL HIGH BIDDER:** The successful high bidder's administrative fee of \$48,169 will not be returned. The successful high bidder will be required to deposit the bonus bid within 10 days of notification of selection by BLM. Funds from the successful high bidder's \$48,169 administrative fee will be deposited to BLM Colorado to cover administrative costs of the competitive process; winning bonus bids will be deposited to the U.S. Treasury. These funds will not be applied as payment of any costs or fees that the applicant is responsible for paying, currently or in the future, (i.e. ROW cost recovery processing fees, rent, bonds, cost recovery monitoring fees) or any other costs or fees that may be assessed during operation of a ROW.

**OBLIGATIONS OF THE SUCCESSFUL HIGH BIDDER:** Within 180 days of notification by BLM, the successful high bidder must submit a SF-299 application and all required documentation to the BLM. The application must include a detailed plan of development showing the proposed layout of the solar development and all ancillary facilities.

All standard cost recovery fees to process and administer a BLM ROW grant will apply to the successful high bidder upon filing of a complete application. The successful high bidder will be required to enter into an agreement to reimburse BLM for the cost incurred in processing their application. If the successful high bidder's application is approved and a ROW is issued, the successful high bidder will be required to pay fair market rent for the use of the public lands, monitoring fees, and bond payments. All fees will be determined consistent with BLM's ROW regulations at 43 CFR 2800 and BLM's Solar Energy Development Policy.

The terms and conditions of any ROW grant will be determined through the environmental review process and are expected to include measures to reduce or eliminate impacts to resource values.

**DEFAULT OF THE SUCCESSFUL HIGH BIDDER:** If the authorized officer finds the successful high bidder has failed to fulfill any of their obligations, and after being notified, the successful high bidder fails to correct any deficiencies within a reasonable time period, the next highest bid will become the successful bidder.

**POINT OF CONTACT:** The point of contact for this competitive process is Maryanne Kurtinaitis, BLM Colorado Renewable Energy Program Manager, by telephone at (303) 239-3708 or by email at [mkurtina@blm.gov](mailto:mkurtina@blm.gov).