

## *A West that Works*

# A Corner Turned: the Chico Basin Ranch

*by Courtney White*

**I**n 1999, a corner was turned quietly in the ‘grazing wars’ when the state of Colorado awarded a 25-year lease on its 87,000-acre Chico Basin Ranch, located southeast of Colorado Springs, to ranchers Duke and Janet Phillips through a competitive process.

This wasn’t because they had beat out The Nature Conservancy for the lease. This was no political victory of industry over the environment, as many in the conservation community at the time feared it would be. (One anti-grazing activist complained that the Colorado State Land Board could have made “more revenue for public schools and better protect the ecological value of the land if it had opened up these ‘grazing lands’ to competitive bidding for non-ranching, non-extractive conservation purposes.”)

That’s because the Phillips had every intention of hitting high environmental standards on the ranch – a goal that has been admirably achieved despite a persistent drought.

But it wasn’t a victory for the New West of wealth, recreation, and latté, either. That’s because the Chico is no ‘hobby’ ranch. Duke and Janet Phillips are full-time ranchers and run the ranch as a full-fledged cattle operation, deriving the bulk of their income from beef sales and custom grazing.

In fact, their ability to turn a profit in dry times while delivering high environmental values, as well as diverse educational opportunities, is the reason their work represents something new under the sun in the West.

I’ll even go one step further – I believe it is a sign of the end of the ‘grazing war’ itself. The decision by the State of Colorado to award a lease to the innovative Phillips instead of (1) a traditional ranching operation, or (2) a conventional conservation ‘reserve,’ even with grazing included, means the “debate” is largely concluded.

Not the shouting, of course – that will go on for years.

The Chico Basin Ranch is demonstrating that the



Duke Phillips leading a tour of Chico Basin grasslands.

‘zero-sum’ arguments of both extremes in the grazing “debate” – that conservation can only advance as far as ranching retreats, as some in the environmental community assert, or that private property rights are paramount to state or federal ownership, as some in the ranching community argue – are rhetorical positions.

On the Chico, you can have your grass and eat it too.

But that isn’t all. Duke and Janet Phillips also set out to demonstrate that you can make a profit in cattle ranching, contrary to some popular opinion (especially by novice ranch owners). Their path to profitability was a simple one: deliver goods and services that society values, such as healthy food, recreational opportunities, open space protection, education, and healthy wildlife populations.

All they ask in return is compensation for their hard work – which allows them to maintain a livelihood they love with the freedom to make their own management decisions, and raise their four children in a rural setting.

Shouting, in other words, is seldom heard on this particular stretch of range.

## A Model Ranch

The Phillipses had big plans for the Chico Basin Ranch right from the start: to be a model for the future of ranching in the Southwest. To that end, Duke and the staff employ nearly every progressive 'New Ranch' practice at work today, including:

- ☞ Planned, or short-duration, grazing by livestock;
- ☞ Low-stress cattle handling;
- ☞ Prescribed grazing (utilizing cattle to create specific environmental impacts);
- ☞ Goat grazing to control noxious weed infestations;
- ☞ Custom grazing a neighbor's cattle for a fee;
- ☞ Little or no predator control (including prairie dogs);
- ☞ Producing grass-fed beef for health-conscious urban markets;
- ☞ An internship program for young ranch managers;
- ☞ Guest ranch services for customers interested in birding, hunting, and fishing;
- ☞ Educational activities for local schools and other groups; and
- ☞ Media and other outreach work

This does not even include the varied conservation goals of the ranch, which, because it represents one of the largest contiguous blocks of shortgrass and sand sage prairie in Colorado, is the site of significant biological diversity. For example, over one hundred and fifty species of migratory birds have been identified in the ranch's grasslands, riparian areas, and wetlands.

This diversity is one of the reasons why the Rocky Mountain Bird Observatory, a nonprofit organization dedicated to conservation,



Old school house.

education, and research, signed up enthusiastically as an original partner with Duke and Janet Phillips, sharing their goal of "working together to live with the land." This partnership has produced an important link between city and county residents.

"We believe that a key to protecting the health of the land and food supply," said Duke Phillips, "is building bridges between people in urban and rural

areas so we can understand that we both desire the same thing: a diverse and healthy landscape that provides clean air and water, healthy food, and healthy and abundant wildlife."

As an example of their commitment to this philosophy, over the past seven years, the ranch has entered into partnerships with The Nature Conservancy, the Colorado Natural Heritage Program, the Colorado Division of Wildlife, the Native Plant Society, and many others.

But this is not 'feel good' stuff – on the contrary, Duke Phillips sees this bridge building as vital to the future of his profession.

"The rancher must understand that today he is not managing his land just for his family and business," he said. "As the world becomes a smaller place, he has to learn to deal with people from outside his ranch boundary fences, who are concerned about the effects of his management on the land."

The same could be said of the urban-based bird watchers who attend the workshops that Rocky Mountain Bird Observatory conducts on the ranch each year. As subdivision development makes open space increasingly scarce on the Front Range of Colorado (calculated at a rate of at least an acre an hour being lost), alliances with progressive landowners and managers becomes increasingly critical.

Partnerships are the easy part,



Hay rides for bird watchers.

however, when compared to the much more difficult task of making these relationships work economically. And it is here that the Chico Basin Ranch has turned another important corner.

## New Economics

Twenty-five years after the rise of sustainable models of ranch management, fifteen years after the start of the collaborative movement, and a few years after the end of the grazing 'debate,' the principal challenge in front of many of us who care about the West is this: how to make conservation profitable (and thus sustainable).

Until recently, conservation as an activity was either subsidized by environmental organizations, government agencies, and wealthy landowners, or created as a byproduct of regulation or other administrative action. Rarely was it undertaken as a deliberate element of a ranch or farm management plan, mostly because traditional markets value short-term exploitation of natural resources over long-term sustainability.

But much of this has changed in recent years with the rise of models of sustainable use in a variety of ecosystems. The main question remains: how to get society, i.e., urban dwellers, to compensate rural land owners and managers financially for things that they value.

In other words, if urban wants it and rural has it (food, water, wildlife, open space, recreation, etc.) then urban should find a way to pay for it reasonably.

The alternative is to continue to subsidize conservation, often at very high costs.

For example: if the public values open space, wouldn't it be far cheaper to help a private lands rancher or farmer stay in business, often by assisting him or her to reform their land management practices, than to purchase the ranch when it comes up for sale at subdivision real estate rates?

Paychecks, it seems to me, are the most efficient, and long-lasting, form of conservation. Plus they have the critical benefit of providing for on-the-ground stewardship, which is increasingly important in this era of



Swimming in a Chico Basin pond.

multiple ecological challenges.

This question of paychecks is exactly what Duke and Janet Phillips had on their minds when they bid for the Chico. And they are making good progress on an answer.

Today, for example, 20% of the ranch's income comes from non-beef related enterprises, such as the guest ser-

vices, educational workshops, and other recreational activities. To push this total higher, they plan to form a 501(c)3 nonprofit organization to conduct additional research and educational outreach on the property.

More significantly, was the decision in 2005 by the Colorado State Land Board to substantially reduce the lease fee as a reward for the effective ecological management and social outreach conducted on the ranch. The ranch newsletter, the partnerships, the outreach work, and the good will that Duke and Co. have developed all mean something tangible and important to the State.

This decision translated into something tangible economically to Duke and Janet Phillips, who recently added on to their modest home and are now confronted with the costs of putting their kids through college.

There is no silver bullet, however. There is no simple formula for profitability, or for managing land. Every landscape is different, every ranch family is distinct, and every challenge unique.

But as the Chico Basin Ranch demonstrates, the broad strokes are clear, especially if we share the common vision of linking social and environmental health for the long-run benefit of urban and rural resident alike. 2

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