

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER**

**PRELIMINARY FINDING AND DECISION
Teklanika II Proposed 2004 Land Offering
AS 38.05.035 (e)
Remote Recreation Cabin Sites Program
AS 38.05.600
Proposed Mineral Closing Order
AS 38.05.185**

I. Proposed Action:

The Department of Natural Resources, Division of Mining, Land & Water, proposes to open eight settlement areas for staking under the Remote Recreational Cabin Sites program, AS 38.05.600, providing a total of approximately 250 staking authorizations within the northern and southcentral regions. This decision will address the **Teklanika II** staking area, which has not been offered under any previous staking program. The areas approved in a Final Finding and Decision may be offered in 2004 or included in a later offering. Brochures advertising the offering and application period will be published and distributed throughout the state. Successful applicants will be drawn by lottery in accordance with AS 38.05.057.

To prevent potential conflicts between surface and subsurface users within the project area, the Division proposes to close approximately 8320 acres within the project area to mineral entry. No mineral activity has been identified within the proposed project boundaries.

Attachment A is the public notice, which will be published in the legal notices of statewide and local newspapers advertising the public comment period in accordance with AS 38.05.945.

Attachment B is a chart that includes the number of stakings proposed for the upcoming offering, the applicable area plan, nearest communities, tribal councils and the boroughs and Native Corporation boundaries the staking areas are located within.

Attachment C is a statewide map showing proposed 2004 offering locations and the Teklanika II preliminary staking map.

II. Authority:

The Department of Natural Resources has the authority under Alaska Statute (AS) 38.05.035(e) to sell state land for private ownership if it is determined to be in the best interest of the state. The applicable statutes include but are not limited to: AS 38.04.010, AS 38.05.020, AS 38.05.35, AS 38.05.057, AS 38.05.127, AS 38.05.185, AS 38.05.300, AS 38.05.600, AS 38.05.830, AS 38.05.850, AS 38.05.945, AS 38.05.946.

The applicable regulations include but are not limited to: Alaska Administrative Code (AAC): 11 AAC 51, 11 AAC 53, 11 AAC 55, 11 AAC 67.005 through 11 AAC 67.240, 11 AAC 67.800

through 11 AAC 67.850, 11 AAC 96.

III. Administrative Record:

The division's project files for the project area constitute the administrative record for this proposed decision. Also incorporated by reference are the *Tanana Basin Area Plan* and associated land classification files; Alaska Department of Fish and Game, Division of Subsistence, February 1984 Report: *Modern Foragers: Wild Resource Use In Nenana Village, Alaska; Interior Alaska-Riparian Management Zones-General Recommendations*, September 2002; and the following casefiles: RST 346, F89385.

IV. Scope:

The scope of this decision is limited to DNR's decision to make the proposed Teklanika II area available for staking and eventual conveyance into private ownership under the Remote Recreational Cabin Sites program. Under this program, successful applicants will be authorized to stake parcels of land between 5 and 20 acres for a remote recreational cabin site within a certain time period and within the constraints of specified staking rules, lease the site until the department completes survey and appraisal of the parcels, and then purchase the parcels at fair market value. The sites will be restricted to recreational use while under lease. The division does not intend to impose deed restrictions to control post-patent use. Local zoning governs any land use restrictions, as with other private lands. The scope of this decision does not encompass changes to the basic structure of the Remote Recreational Cabin Sites program, which is governed by Alaska statute and regulation. The proposed staking area was classified for settlement in the *Tanana Basin Area Plan*; the proposed number of stakings will not exceed the net acres recommended for offering in the area plan. The division proposes to close the area to new mineral entry prior to offering. The division may also identify and survey additional parcels in the staking area up to the total number of stakings authorized during the staking period, to be sold under this program in a later offering.

V. Discussion:

Location

The proposed Teklanika II staking area is located approximately 60 air miles southwest of Fairbanks and 17 air miles southwest of Nenana. It is located approximately 6 miles down the Teklanika River, directly southwest of Teklanika I area, which was reoffered for staking under the Remote Recreational Cabin Sites program in 2001.

Native Region Corporations:

The Teklanika II area is within the Doyon, Limited, Regional Native Corporation boundaries. Nenana Native Village Council and Toghoththele Corporation are the nearest Native community entities.

Municipality:

The southernmost portion of the staking area, within sections 19-22, T 6S R10W, FM, is within the Denali Borough boundaries. The remaining part of Teklanika II is not within an organized

borough.

Alaska Coastal District:

The Teklanika II area is located outside the coastal zone.

USGS Map Coverage:

This staking area is depicted within USGS quad Fairbanks B-6.

Legal Description:

The Teklanika II staking area encompasses approximately 8,320 acres within section 2-4, 8-11, and 14-22, Township 6 South, Range 10 West, Fairbanks Meridian.

Land Title:

A title report for Teklanika II was requested December 12, 2003. Information from the title report will be incorporated into the Final Finding. According to the state status plats, the state has title to the area under patent number 50-88-0016. The associated state selection casefile is GS 1043.

Background:

In 1997, the legislature passed a new law, AS 38.05.600, Remote Recreational Cabin Sites. The program is similar to the state's open-to-entry, remote parcel and homestead programs from the 1970's and early 1980's. The program allows an individual to stake a parcel of state land for a cabin site in a designated remote settlement area. The staked parcel of land will be leased and deposit payments made for survey and appraisal of the parcel until the survey and appraisal are completed, then the parcel may be purchased at fair market value. Regulations to implement the new program went into effect February 9, 2001 (11 AAC 67.850).

Before opening an area to the staking of remote recreational cabin sites, the department will announce a simultaneous filing period in the manner provided for lottery parcels by AS 38.05.057(e) and 11 AAC 67.815. An applicant may file only one application per staking area, but may file an application for each area. If there are more applicants for an area than the number of entries to be offered, the winners and a set of alternates will be chosen by a lottery drawing. Staking authorizations for the area with the highest ratio of applications to allowable entries will be drawn first. If an applicant files applications for more than one area, the applicant will receive a staking authorization for the first area for which the applicant's name is drawn. A staking authorization for which no application is filed will not be available to the public over the counter, but may be reoffered in a subsequent offering. The department may also identify and survey additional parcels in a staking area up to the total number of stakings authorized during the staking period, to be sold under this program at a later offering.

The lottery method of disposal gives all eligible members of the public an equal chance at acquiring a staking authorization for an area. The successful applicants are given a staking packet, which includes instructions for properly staking a parcel of land and other information pertaining to the program and the specific staking area. The successful applicants have a certain length of time to enter onto the land, stake a parcel and file a lease application. The sites are leased until they are surveyed and appraised, and then can be purchased at fair market value.

Teklanika II was first identified as an area appropriate for transfer to private ownership in the Tanana Basin Area Plan, adopted in 1985 and updated in 1991. This proposed staking area constitutes the second phase of the Teklanika area project; phase one, located immediately northeast of the currently proposed project, was originally offered under the Homestead program in 1985, and was subsequently reoffered in 2001 under the Remote Recreational Cabin Sites program. In 2002, the division began to research new project areas as part of a five year land sale plan. The Teklanika II area was identified as a possible remote recreational cabin site area at that time, based on review of the area plan and resource information, nomination by division staff familiar with the area, and the popularity of Teklanika I offerings. Additional research and preparation for the proposed area was conducted in 2003, including a public meeting in Nenana, field inspection via air, agency review, and conceptual approval obtained from the Denali Borough.

Planning and Land Classification:

The proposed staking area is located within the Tanana Basin Area Plan (TBAP) boundary, Subregion 4 (Parks Highway and West Alaska Range), Management Unit 4I (Teklanika Delta) Subunit 4I1 (Teklanika I-IV); Classification: Settlement, NO-90-002.

Management Intent: Settlement is designated a primary use in Subunit 4I1. According to the TBAP, approximately 1000 acres within the upstream portion of the settlement unit (proposed Teklanika II staking area) may be offered for private ownership. The Teklanika unit is one of the highest quality settlement areas in the Basin, and should be made available. Access sites, public use areas, and wood gathering areas will be identified within the disposal area, and access between the Nenana-Kantishna Trail and the river will be identified. Parcels no larger than 5 acres will be allowed within 1000 feet from the ordinary high water mark of the Teklanika River; larger parcels will be offered 1000 feet beyond the river.

The areawide land management policies and general management intent of the area plan management unit and subunit were reviewed for consistency with the proposed offering. Guidelines regarding stream buffers, trail management, settlement and other uses were reviewed and will be incorporated on the staking maps, the brochure and the special staking instructions.

Offering this area for staking under the Remote Recreational Cabin Sites program is consistent with the classification and management intent of the area plan. Land offered for settlement will be closed to new mineral entry.

Municipal Zoning and Comprehensive Plans:

The Teklanika II area is not affected by local zoning plans.

Alaska Coastal Management Program (ACMP):

The Teklanika II area is outside the coastal zone, and therefore not subject to ACMP.

Environmental Risk Assessment:

There are no major environmental risks associated with the proposal to offer remote land for staking within Teklanika II. Offering this area for staking will likely result in increased private

land ownership and associated remote recreational activities over time, such as increased trail use and construction, cabin building, and resource harvest. Potential environmental risks associated with these activities include increased riparian habitat degradation, soil and vegetation damage along trail corridors, and increased potential for wildland fire.

To reduce the impacts associated with trail use and construction, the division will identify and retain important access routes such as the Nenana-Kantishna Trail and feasible routes between the existing trail and the Teklanika River. The division will work with stakers to consolidate trail use from these routes to and between staked parcels. To protect sensitive fish spawning habitat, the project boundary was adjusted to exclude section 12, T6S, R10W, FM and sections 5, 7, and 8, T6S, R9W, FM from staking. Within the remaining project area, building setbacks will help to protect the riparian zone. The division will provide stakers with information regarding wildland fire prevention and riparian management recommendations, and encourage them to locate parcels in fire defensible areas such as hardwood stands with access to water. The brochure will list the fire management option, if known, for the staking area, and to contact the Division of Forestry for updated information regarding management options. In addition, each staking packet will contain the publication, *Firewise Alaska*. This booklet, developed by the Alaska Wildland Fire Coordinating Group, informs the public how to protect their homes from the threat of wildland fire.

Mineral Closing Order:

The Division of Mining, Land, and Water proposes to close the mineral estate within the Teklanika II staking area in accordance with AS 38.05.185 for a land disposal. To allow new mineral location within the proposed staking area could create serious conflicts between surface and subsurface users. The Tanana Basin Area Plan (Areawide Land Management Policies-Subsurface Resources) states that the Department generally finds mining to be incompatible with surface uses within areas designated for settlement. Closing the area to mineral entry will minimize surface/subsurface user conflict. There are no current mining claims located within the project area.

Traditional Use Finding (AS 38.05.830):

Information obtained from the Tanana Basin Area Plan, ADF&G subsistence use reports, Nenana area residents, and the Nenana-Kantishna Trail (an historic RS 2477 route crossing the staking area) project file, indicates that the lands surrounding the Teklanika River have traditionally been used for transportation, hunting, trapping, and settlement. There are no anticipated significant changes to traditional uses of the land and resources of this area as a result of the proposed action, other than a probable increase in the various traditional activities practiced by new private property owners. Impact on existing resource users will be minimized by limiting the number of stakings allowed, by public access easements along the Teklanika River and the Nenana-Kantishna Trail, by public use corridors between the trail and river, and by building setbacks along the river to preserve riparian zone quality.

Access To and Within Staking Area:

Legal access to staking areas is generally by travel across state land, along section line easements, or other easements reserved in conveyances to boroughs and private parties. Access across unreserved state land without a permit may be by foot, snow machine, or similar means

provided road construction is not undertaken. Limited trail construction may be allowed on state land without a permit under certain conditions (generally allowed uses, 11 AAC 96).

Current information about the Teklanika II area indicates that access is obtained by boat via the Nenana and Teklanika Rivers in summer and by snowmachine via the Nenana-Kantishna Trail in winter. Recreationists and local residents use the Nenana-Kantishna Trail (RST 341), an RS 2477 trail historically used to access the Kantishna mining district. The Division of Forestry commented that initial access to this trail and subsequently to timber sales located just north of the Teklanika II project can be attained by use of an ice bridge crossing the Nenana River in winter.

The 2004 Brochure will include information about access to and within the staking areas, and routes will be depicted on the staking maps where possible. The information will be gathered from agencies, public input and other research. Satellite imagery, if available, will be used for information on currently used trails, airstrips and seismic lines.

The staking instructions require that all staked parcels be subject to existing trails within the staking areas. A minimum 50-foot right-of-way on each side of the Nenana-Kantishna RS 2477 trail is reserved. An easement 30 feet in width will be reserved along on each side of existing trails through or along any staked site. Section line easements will also be reserved 50 feet on each side of surveyed or protracted section lines that are within or along staked sites. Parcels may not be staked across surveyed section or township lines, RS 2477 rights-of-way or across trails that have been assigned an ADL number.

Waters Determined Public or Navigable:

Lakes larger than 50 acres in size or streams larger than 50 feet in width are navigable for title purposes. The Teklanika River is determined navigable. For purposes of this offering, it is administratively determined that all streams shown on the 1:63,360 USGS maps for the staking areas are determined to be public. If at the time of survey a parcel is staked along a stream not shown on the staking map, the waterbody may be determined to be public at that time in accordance with AS 38.05.127 and 11 AAC 51.035. Waterbodies determined to be public or navigable will have 50-foot public access easements reserved upland from the ordinary high water mark.

Generally, lakes less than ten acres are not determined navigable or public unless specifically identified below.

Because of the changing nature of numerous sloughs within the staking area, they may be determined public or navigable under the criteria described above at the time of survey.

Access to and Along Public Waters (AS 38.05.127, 11 AAC 51.035, 11 AAC 51.045):

For the purposes of reserving access easements under 11 AAC 51.045, Easements To and Along Navigable and Public Water, a continuous easement extending at least 50 feet upland from the ordinary high water mark will be reserved along water bodies determined to be navigable and/or public. An alternate upland access route may be reserved if topography or obstructions prevent or make a continuous easement difficult.

Parcels staked along the Teklanika River and other waters determined to be navigable and/or public will have the following easement reserved:

A continuous easement for public access extending at least 50 feet upland from the ordinary high water mark.

See the previous section for waterbodies determined as public for purposes of this offering. Since the program allows authorized stakers to choose their own parcel of land within a large remote area, DNR cannot determine in advance what specific waterbodies will be staked, what topographic conditions will exist and what easements will be finally reserved. Therefore, rather than at the time of the final finding, initial public/navigability determinations for a specific parcel of land may be made at the time of lease adjudication, with a final determination made at the time of survey.

Survey and Appraisal Deposits:

In accordance with 11 AAC 67.825, 11 AAC 67.835(4) and 11 AAC 67.840, a deposit for the cost of surveying, platting and appraising the site will be required. Current regulations state the deposit may be either: 1) a quarterly payment towards the department's estimated cost of survey, platting and appraisal costs for the site, or 2) a cash performance bond of \$1,000 to ensure the lessee's completion of survey, platting an appraisal of the site, if the department determines that offering this option is in the state's best interest, and if the applicant chooses it. However, the department has determined that it is not in the state's best interest to offer the second deposit option for this offering. The department proposes to issue state survey contracts under the procurement code for the staking areas, and the costs will be prorated by acreage for each parcel. It would not be cost-effective for either the department or the applicants to allow individual surveys in the same staking area where state contracts are issued. The exception would be if a staking area received so few applications that a state survey contract would not be cost-effective. The department may also identify and survey additional parcels in a staking area up to the total number of stakings authorized during the staking period, to be sold under this program at a later offering.

Local Review of Staking Areas:

In accordance with 11 AAC 67.810, if a remote recreational cabin site staking area is within a municipality that exercises platting authority or expects to begin exercising platting authority before the remote recreational cabin sites are platted, the department will notify the municipality when providing notice under AS 38.05.945 (c) that:

1. The department will not proceed with the proposed opening without a modification of the municipality's plat review process.
2. The survey plat will not be prepared until three or more years after an applicant stakes a site and receives a lease, and that during that period before the plat is prepared, a lessee might construct permanent improvements and onsite wastewater disposal systems; and
3. To ensure compliance with applicable platting and onsite wastewater disposal requirements, those requirements must be known before a lease is issued.

This decision is the notice provided under AS 38.05.945 (c). If in response to this notice, the municipality

1. grants conceptual approval of the density and minimum size of cabin sites to be offered, and consents to be guided by that conceptual approval during its later plat review, the department will conform the department's final decision to that maximum number and minimum size;
2. requests that the department submit a preliminary plat, showing the cabin site's approximate location and size, for the municipality's approval before the department issues a lease, the department will submit that material and adjust the boundaries of the lease site as necessary to comply with municipal platting requirements;
3. requires a minimum parcel size to qualify the final plat for a waiver of review, the department will conform the department's final decision to that minimum parcel size; or
4. states that the municipality will not modify its platting process to allow the offering of unsurveyed cabin sites, the department will not proceed with the proposed offering.

NOTE: DNR presented the Teklanika II staking area to the Denali Borough Assembly and Platting Board on January 8, 2003 for conceptual approval. The borough conceptually approved the proposal at the public meeting held on that same date. A formal response was received January 16, 2003.

Public Meeting:

A public open house was held March 14, 2003 at the Nenana Senior Center, to provide local residents an opportunity to review 2003-2004 proposals, provide local information about the staking areas, and to comment on the proposals.

Local residents commented that they were more interested in purchasing lands close to Nenana for residential use, but that the Teklanika River is often used for hunting and trapping, and would be popular as recreational property. They noted that current resource users or nearby property owners might resent new land offerings. They commented that some lands along the river are "floating" lands that look solid, but are actually very wet and unstable. They recommended that stakers be made aware of the existence of these conditions.

DNR Response:

Impacts to current users will be minimized by limiting the number of staking authorizations, by protecting access and public uses corridors within the area, and by building setbacks to protect water quality and fish habitat. The division will include information in the brochures, staking packets, and staking workshops to ensure that stakers are made aware of site characteristics, including the possible existence of wetlands.

Agency Comments:

Agency review began October 15, 2003 and ended November 14, 2003. All comments received during this period are summarized below:

1. Alaska Department of Fish and Game (ADF&G)

General comments: ADF&G expressed concern that an increase in private remote cabins may lead to an increase in incidents of trespass as well as damage to fish and wildlife habitat, due in large part to the creation of numerous poorly planned trails. ADF&G approved of the division's plan to work with stakers to consolidate trails, and recommends that the division identify and reserve access points and trails, and continue to work with affected boroughs, community groups, and ADF&G to develop consistent and legal access to and within staking areas. ADF&G also noted that a scattering of high-value structures throughout a landscape increases fire containment costs and risks to human safety, and makes fuels and wildlife management more difficult. Due to this, ADF&G is generally opposed to creating new staking areas in the Northern Region, and prefers reoffering parcels in established staking areas adjacent to existing settlements. ADF&G recommends that staking areas be designed to locate parcels in areas of hardwoods or white spruce near water bodies where fires are less frequent and more easily contained. Stakers should be advised of the fire risk and of the fire management options for that area.

Specific comments: ADF&G noted that the area is located in GMU 20C, and that this portion of the Teklanika River is an anadromous water body encompassing sensitive fish spawning habitat. ADF&G was pleased that DNR removed lands located in T6S, R9W, FM and section 12, T6S, R10W, FM (the most sensitive fish spawning habitat) from the staking boundary, and also recommended that a 200-foot staking setback along each bank of the river be retained in public ownership to maintain access to riparian areas. ADF&G also noted that the eastern portion of the staking area is in modified fire management option, and the western portion is in limited fire management option. They recommended that stakers locate parcels in areas of hardwood, white spruce, or near water bodies. They also recommended retaining a 100-foot setback along the Nenana-Kantishna Trail, RST 346.

Response: DNR will reserve a 100-foot staking setback (50 feet each side of centerline) from the Nenana-Kantishna Trail, and if feasible, identify and reserve public use areas/access routes from the trail to the Teklanika River. High quality land and hardwood stands within the staking area are located, for the most part, in a band following the meanders of the Teklanika River. Rather than establishing a 200-foot setback from the river, a 50-foot public access easement and a 100-foot building setback will be established upland from the ordinary high water mark of the Teklanika River and other public waterbodies determined at the time of survey. This will help to protect environmental quality and continued public use and access, while providing stakers with the opportunity to acquire desirable waterfront property. This will also reduce risk associated with wildfire, as stakers will be able to locate their parcels in the hardwood stands and have close access to the river. The land disposal unit will continue to work with DNR and other agencies, the Denali Borough, and local residents during preparation and offering of this and other projects.

2. DNR, Office of Habitat Management and Permitting (OHMP):

OHMP stated that the proposed offering is consistent with the management intent and guidelines within the Tanana Basin Area Plan, which OHMP helped to develop and has agreed to abide by. They had no additional comments or information at the time of agency

review.

3. DNR, Division of Mining, Land, and Water, Northern Region:

General Comments: Northern Region had concerns about access to and within the proposed staking area.

Response: Existing serialized access routes will be identified prior to offering, and trail location via GPS will be done to the extent possible given program funding and time constraints. Access corridors from the Nenana-Kantishna Trail to the Teklanika River will be identified and located via GPS if such feasible routes are located.

4. DNR, Division of Forestry, Fairbanks Area:

The offering is in close proximity to areas classified Forestry. There is a timber sale located just north of the proposed Teklanika II offering, and additional sales are planned for this area. Access to the timber sale areas is focused on construction of an ice bridge and winter access across the Nenana River and into the area. Use of this ice bridge and winter access route may aid stakers in reaching and utilizing their land. The Division of Forestry recommended that stakers be informed of the nearby timber sale; that they may observe logging operations and equipment near the staking area and along the access route, and should exercise due care to avoid altercations with logging trucks.

Response: Stakers will be informed of nearby timber sales and associated access routes, and urged to use caution when in proximity to logging equipment and trucks.

5. DNR, Division of Parks & Outdoor Recreation, Office of History and Archaeology:

The State Historic Preservation Officer (SHPO) commented that two hills located on the west side of the Teklanika River and some areas along the river itself may have high potential for containing cultural resources. SHPO recommended that these areas be archaeologically surveyed.

Response: DNR is not currently funded to conduct archaeological surveys. To protect any potential cultural resources, DNR will include language in the brochure, staking instructions, and lease regarding the Alaska Historic Preservation Act. All stakers will be required to report any historic, prehistoric, or archaeological sites discovered in the area, and cease any activities that may damage the site. DNR will revise the project boundary to exclude the two hills on the west side of the Teklanika River as noted by SHPO.

6. State Pipeline Coordinator's Office:

The State Pipeline Coordinator's Office commented that the proposed staking areas do not appear to be in the vicinity of, or affect the existing Trans-Alaska Pipeline System (TAPS) or the proposed common carrier pipeline areas (Trans-Alaska System and Alaska Natural Gas Transportation System).

The following agencies or groups responded to Agency Review but had no comments regarding this project: Fairbanks North Star Borough.

The following agencies or groups were included in the Agency Review but did not submit a response: Department of Environmental Conservation; Department of Transportation and Public Facilities; Denali Borough; Division of Agriculture; Division of Mining, Land, and Water (Mining Section); Division of Parks and Outdoor Recreation (Northern Region); Alaska Soil and Water Conservation District; Alaska Railroad Corporation; Mental Health Trust Office; Division of Oil and Gas; Division of Geological and Geophysical Services

Staking Instructions:

Staking instructions will be issued to each successful lottery applicant. The staking instructions will include general requirements for staking a parcel of land in a staking area, including the manner of staking a parcel such as setting corner posts, brushing and flagging parcel boundary lines, limits on total water body frontage, easement or setback requirements from public and navigable waters and existing trails, minimum and maximum parcel sizes, and other parcel configuration requirements. The staking include special instructions for the individual staking areas, notice of any changes including errata, staking maps showing the staking area boundaries, and the time periods for staking in each area.

Alternatives:

The following alternatives were considered:

1. Offer the settlement area for staking under the Remote Recreational Cabin Sites Program. Setbacks, public access, public use areas, etc. will be shown on the staking maps for the offering. Additional public comments and agency concerns will be addressed in the final finding and decision.
2. Do not offer the settlement area for staking under the Remote Recreational Cabin Sites Program. Instead, offer the area under other programs, such as subdivision sales or homesteads.
3. Do not offer the area at this time. Retain the land in public ownership.

Alternative 1 is the alternative that maximizes the public interest. In accordance with the approved area plan, this area was designated for future settlement and identified as one of the highest quality settlement areas in the Tanana Basin. Disperse, low density staking is the best alternative for this settlement area since it is in a remote location with little or no infrastructure available, suitable individual sites are discontinuous over a large gross acreage, and the proposed project constitutes the second phase of a similar low density offering located immediately downriver.

Alternative 2 is not preferred. Subdivisions in this area are not preferred because preparation of a subdivision usually involves extensive up-front expenses (soil studies, design and engineering, etc.) which are much more likely to be cost effective for a high density settlement project. The department is currently funded to offer the Remote Recreational Cabin Site program and has been successfully managing the program for three previous offerings. The homestead program was changed so that only pre-designated, surveyed aliquot part parcels can be offered, which does not allow people to stake a parcel of their choosing.

Alternative 3 is not preferred. The legislature and the public have indicated a high desire for

DNR to offer remote state land for private ownership. This program would allow Alaskans the opportunity to stake a piece of land of their choosing in a remote area of the state for recreational purposes, and to purchase the land at market value after it has been surveyed and appraised. The opportunity to stake parcels of land in new remote areas of the state has not been available to Alaskans for many years.

VI. Public Notice:

Pursuant to AS 38.05.945 this preliminary decision will be given public notice. Legal notices will be published in the Anchorage Daily News, Fairbanks Daily News-Miner and newspapers with circulation in and around the proposed area, if any. Public notices will also be posted at local post offices in the general vicinity of the proposed area. Notices will be mailed to affected boroughs, Native Corporations, Tribal Councils and Villages, and private landowners near the project. The notice will also be posted on the State of Alaska Public Notice web page at <http://notes3.state.ak.us/pn/pubnotic.nsf>.

Pursuant to AS 38.05.946, a municipality or corporation entitled to receive notice under AS 38.05.945 (c) may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the commissioner (or a representative) shall attend the hearing. The commissioner has discretion whether to hold a public hearing.

The public is invited to comment on the preliminary decision to offer this area under the Remote Recreational Cabin Sites program and on the proposed mineral closing order for the 2004 Teklanika II proposed staking area. Copies of the preliminary decision, map, and additional information are available at DNR's Public Information Centers in Juneau, Fairbanks, and Anchorage, and at http://www.dnr.state.ak.us/mlw/landsale/remote_recsites.htm. Any comments must be received in writing by the Division of Mining, Land and Water, Land Sales and Contract Administration Unit, 550 West 7th Avenue, Suite 640, Anchorage, AK 99501-3576, attention: Pandora Willingham, or the DNR Northern Region Office, 3700 Airport Way, Fairbanks, AK 99709-4699 attention: Jeanne Proulx, on or before 5:00 p.m. **Friday, February 20, 2004**, in order to ensure consideration.

If public comment in response to this notice indicates the need for significant changes in the above decision, additional public notice for the affected decision will be given on or about March 5, 2004. Deleting all or portions of a staking area, or making minor changes to the proposed staking area or staking authorization numbers will not be considered a significant change requiring public notice. If no significant change is required, the preliminary decision, including any deletions, minor changes and a summary of public comments and division responses, will be issued as the Final Finding and Decision of the Department of Natural Resources, without further notice. A copy of the final decision will be sent to any person who comments on the preliminary decision and will be available at the address above. The final decision will set out the applicable process for appealing the decision under AS 38.05.035(i)-(m). To be eligible to appeal, a person must comment during the public comment period.

If you have any questions concerning this proposed action, please contact Pandora Willingham at (907) 269-8595, e-mail: pandora_willingham@dnr.state.ak.us or fax: (907) 269-8916, or contact

Jeanne Proulx at (907) 451-2745, email: jeanne_proulx@dnr.state.ak.us or fax (907) 451-2751.

Individuals with disabilities who may need auxiliary aids, services or special modifications should contact the Public Information Center in Anchorage between the hours of 10:00 a.m. and 5:00 p.m., M-F, at (907) 269-8400, email: pic@dnr.state.ak.us, TDD: (907) 269-8411, or the Public Information Center in Fairbanks between the hours of 10:00am and 5:00pm, M-F, at (907) 451-2705, email: fbx_pic@dnr.state.ak.us, TDD: (907) 451-2770.

VII. Recommendation:

The proposed action is consistent with the overall management intent for state land and is in the state's best interest. By offering the proposed staking area under the Remote Recreational Cabin Sites Program, the state can provide Alaskans the opportunity for private ownership of land in remote settlement areas of the state, and can generate revenue for the state. It is recommended that the Teklanika II staking area as depicted in Attachment A of this document be approved, closed to mineral entry, and offered for staking under the Remote Recreational Cabin Sites program, AS 38.05.600.

_____/S/_____
Jeanne Proulx
Natural Resource Specialist II

_____/1/21/2004_____
Date

VIII: Best Interest Finding:

The proposal is consistent with the overall management intent for the state land for this area. Changes to public resources and the public interest as a result of the proposal are acceptable. I find that the proposed action may be in the state's best interest and it is hereby approved to proceed to public notice.

_____/S/_____
Dick Mylius, Deputy Director
Division of Mining, Land and Water

_____/1/21/2004_____
Date

Attachments:

- Public Notice
- Area Information Chart
- Statewide area map and individual project map

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
PUBLIC NOTICE
PRELIMINARY FINDING AND DECISIONS
AMENDMENT TO PRELIMINARY FINDING AND DECISIONS
AMENDMENT TO FINAL FINDING AND DECISIONS
2004 PROPOSED LAND OFFERING AS 38.05.035(e)
REMOTE RECREATIONAL CABIN SITES PROGRAM AS 38.05.600
PROPOSED RECLASSIFICATION AS 38.04
PROPOSED AMENDMENT TO TANANA BASIN AREA PLAN 11 AAC 55
PROPOSED MINERAL CLOSING ORDERS AS 38.05.185**

Subject to AS 38.05, the Division of Mining, Land and Water proposes to open the following areas of state land for staking under the Remote Recreational Cabin Sites program, AS 38.05.600. The division also proposes to amend the Tanana Basin Area Plan to reclassify the Tok Triangle staking area to settlement, and to close the Appel II, Snake River, Teklanika II and Tok Triangle areas to mineral entry. The division proposes to offer approximately 250 authorizations in the summer of 2004 to stake parcels of land between 5-20 acres each from the following areas and areas previously approved. The division has issued two decisions, one for the northern region areas and one for the southcentral region areas.

NORTHERN REGION:

Far Mountain staking area is located along North Fork Chena River and Boulder Creek, approx. 6 miles northeast of Chena Hot Springs Resort and 65 miles northeast of Fairbanks, within Township 4 North, Range 9&10 East, Fairbanks Meridian, approx. 44,800 acres. 50 staking authorizations are proposed for this area.

Teklanika II is located along the Teklanika River approx. 17 miles downstream from the bridge across the Parks Highway at Nenana, 60 air miles southwest of Fairbanks, within Township 6 South, Range 10 West, Fairbanks Meridian, approx. 8,320 acres. 50 staking authorizations are proposed. The area is proposed to be closed to mineral entry prior to offering.

Tok Triangle is located approx. 4 miles southwest of Tok between the Eagle Trail, the Alaska Highway and the Glenn Highway, within Township 17&18 North, Range 11&12 East, Fairbanks Meridian, approx. 8,000 acres. 50 staking authorizations are proposed. The staking area will be reclassified from agriculture/settlement to settlement only to allow the area to be offered under this program. The area is proposed to be closed to mineral entry prior to offering.

SOUTHCENTRAL REGION:

Appel II is located north of the Kuskokwim River and east of Appel Mountain approx. 7 miles northeast of McGrath, within Township 28&29 South, Range 18 East, Kateel River Meridian, approx. 9,440 acres. 50 staking authorizations are proposed. The area is proposed to be closed to mineral entry prior to offering.

Cannery Creek is located approx. 12 miles northeast of Redoubt Volcano near Redoubt Bay and the mouth of Drift River, on the west side of Cook Inlet approx. 25 miles west of Kenai, within Township 6 North, Range 17&18 West, Seward Meridian, approx. 7,300 acres. 30 staking authorizations are proposed for this area.

Snake River is located along the Snake River approx. 1 mile south of Lake Nunavaugaluk (Snake Lake), 15 miles northwest of Dillingham, within Township 12 South, Range 57 West, Seward Meridian, approx. 15,300 acres. 50 staking authorizations are proposed. The area is proposed to be closed to mineral entry prior to offering.

OPEN HOUSES

DNR will hold open houses in McGrath on January 29, 2004 from 6:30-8:30 pm at the McGrath School commons; Tanacross on February 3, 2004 from 3:00-5:00 pm at the community center; Dot

Lake on February 4, 2004 from 2:00-4:00 pm at the community center; and Tok on February 4, 2004 from 6:00-8:00 pm at the public school, to gather local input and comments. All open house locations, dates and times are subject to change. Call the DNR Public Information Center in Anchorage at (907) 269-8400 or in Fairbanks at (907) 451-2705 for additional information and confirmation. An open house was previously held in Dillingham on November 19, 2003.

PUBLIC NOTICE

In accordance with AS 38.05.945, the public is invited to comment on the preliminary decisions, amendment to preliminary decisions and amendment to final findings ("preliminary decisions") to offer these areas under the Remote Recreational Cabin Sites program, on the proposed mineral closing orders for Appel II, Snake River, Teklanika II and Tok Triangle, and the proposed Tanana Basin Area Plan amendment and reclassification for Tok Triangle. Copies of the preliminary decisions, maps and additional information are available at DNR's Public Information Centers in Fairbanks, Anchorage and Juneau and at http://www.dnr.state.ak.us/mlw/landsale/remote_recsites.htm. Any comments must be received in writing by the Division of Mining, Land and Water, Land Sales and Contract Administration Unit, 550 West 7th Avenue, Suite 640, Anchorage, AK 99501-3576, attention: Pandora Willingham, or the DNR Northern Region Office, 3700 Airport Way, Fairbanks, AK 99709-4699 attention: Jeanne Proulx, on or before **5:00 p.m. Friday, February 20, 2004**, in order to ensure consideration.

If public comments in response to this notice indicate the need for significant changes in the above preliminary decisions, additional public notice for the affected area(s) will be given on or about March 5, 2004. Deleting all or portions of a staking area, or making minor changes to the proposed staking areas or staking authorization numbers, will not be considered a significant change requiring public notice. If no significant change is required, the preliminary decisions, including any deletions, minor changes, summary of public comments and division responses, will be issued as the Final Finding and Decisions of the Department of Natural Resources without further notice. A copy of the final decision will be sent to any person who comments on the preliminary decision and will be available at the address above. The final decision will set out the applicable process for appealing the decision under AS 38.05.035(i)-(m). To be eligible to appeal, a person must comment during the public comment period.

If you have any questions concerning this proposed action, please contact Pandora Willingham at (907) 269-8595, email: pandora_willingham@dnr.state.ak.us or fax: (907) 269-8916 or contact Jeanne Proulx at (907) 451-2745, email: Jeanne_Proulx@dnr.state.ak.us or fax (907) 451-2751.

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The Division of Mining, Land and Water reserves the right to waive technical defects in this publication.

Bruce Phelps, Acting Chief, Resource Assessment and Development Section

Publish: Anchorage Daily News: January 21, 2004
Fairbanks Daily News Miner: January 21, 2004
Peninsula Clarion: January 21, 2004
Bristol Baytimes: January 22, 2004
Mukluk News: February ____, 2004

ATTACHMENT B

Preliminary Finding and Decision
Remote Recreational Cabin Sites Program 2004 Offering

STAKING AREA	MTR	STAKINGS Allowed by Area Plan/ PROPOSED FOR 2004	BOROUGH	AREA PLAN/ MGMT UNIT	NEAREST COMMUNITY	NATIVE REG./ VILLAGE CORP.	TRIBAL COUNCIL/VILLAGE	PREVIOUS FINDING
SOUTHCENTRAL REGION								
Appel II	T28S R18E KRM T29S R18E KRM	150/50	N/A	Kuskokwim Area Plan; Unit: 5, Sub Unit: 5b Classified: Settlement	McGrath	DOYON LIMITED	McGrath Native Village Council Medfra Traditional Council Nikolai Edzeno' Village Council Takotna Village Telida Village	Preliminary Decision N/A for T29S R18E KRM
Cannery Creek	T33N R2W SM	41/30	Kenai Peninsula	Susitna Area Plan Subregion: North Parks Hwy Unit: 3 Subunit: 3e Classified: Settlement	Kenai	CIRI Tyonek Native Corpotaion	Village of Tyonek Ninilchik Native Assoc. Ninilchik Traditional Council Kenaitze Indian Tribe Salamatof Native Assoc. Village of Salamatof	Final Finding and Decision
Snake River	T12S R57W SM	100/50	N/A	Bristol Bay Area Plan Unit 5 Classified: Settlement	Dillingham	BRISTOL BAY Choggiung, Limited Aleknagik Natives Limited Manokotak Natives Limited	Curyung Native Village Council Aleknagik Traditional Council Manokotak Village Council Native Village of Dillingham Native Village of Aleknagik	Preliminary Decision

ATTACHMENT B

Preliminary Finding and Decision
 Remote Recreational Cabin Sites Program 2004 Offering

STAKING AREA	MTR	STAKINGS Allowed by Area Plan/ PROPOSED FOR 2004	BOROUGH	AREA PLAN/ MGMT UNIT	NEAREST COMMUNITY	NATIVE REG./ VILLAGE CORP.	TRIBAL COUNCIL/VILLAGE	PREVIOUS FINDING
NORTHERN REGION								
Far Mountain	T4N R9 FM T4N R10E FM	133/ 50	Fairbanks North Star	Tanana Basin Area Plan Subregion 1: Unit 1U Subunit 1U3c	Chena Hot Springs	DOYON Denakkanaaga	Fairbanks Native Association	Final Finding and Decision
Teklanika II	T6S R10W FM	100/ 50	Denali Borough (partially)	Tanana Basin Area Plan Subregion 4 Unit 4I Subunit 4I1	Nenana	DOYON Toghoththele	Nenana Native Village	N/A
Tok Triangle	T17N R11E FM T17N R12E FM T18N R11E FM T18N R12E FM	50/50	N/A	Tanana Basin Area Plan Subregion 6: Unit 6D	Tok	DOYON United Crow Band Inc. Dot Lake Native Corp. Tanacross Inc.	Tetlin Tribal Council Dot Lake Village Council Tok Native Association Tanacross Village Council	N/A