

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

**FINAL FINDING AND DECISION
CONVEYANCE OF LAND UNDER AS 29.65.090 and
MATANUSKA SUSITNA BOROUGH UNDER MSB 23.05.030
ADL 231717 and MSB 006782**

This Final Finding and Decision (FFD) supplements the Preliminary Decision signed 01/13/2013 for the proposed action, which is incorporated herein, except as amended, changed, or deleted by this final finding and decision.

I. RECOMMENDED ACTION

The Department of Natural Resources (DNR) finds that it is in the best interest of the state to convey 594 acres of state land to the Matanuska-Susitna Borough (MSB or borough); in return, the borough will convey 566 acres of borough land to the state. The state land is situated along the Alaska Railroad ROW¹ between Houston and Port MacKenzie generally west of Big Lake. The MSB land is located generally on the west side and adjacent to the Nancy Lake State Recreation Area (NLSRA) west of Willow. The purpose of this exchange is to allow the borough to acquire state land along the ARR proposed ROW and for the state to acquire borough land adjacent to the NLSRA, to consolidate land ownership and management functions. The Vicinity Map, attached, depicts the location of these parcels. Maps 1 through 5 depict the specific parcels under consideration in this proposed exchange.

II. AUTHORITY

This action is authorized under AS 29.65.090, AS 38.05.127, AS 19.10.010 and AS 38.05.945, and Administrative Code section 11 AAC 55. The MSB is authorized to enter into this exchange under the authority of MSB 23.05.030.

III. PUBLIC NOTICE

The state and the borough cooperated in a joint public notification effort. In order to minimize confusion, the Borough and State public notices were combined into one notice that was issued jointly and simultaneously by the Borough and DNR. The public notice period ran from February 14, 2013 through March 20, 2013. The public notice requirements of the State and Borough were met. Public notice requirements of AS 38.05.945 applied to the land that the State

¹ Identified as the 'Mac East Variant – Connector 3 Variant-Houston-Houston South Alternative' in the Final Environmental Impact Statement.

proposed to exchange. Public notice requirements of MSB 23.05.025 applied to the land that the Borough proposed to exchange.

The State posted a public notice on the DNR online public notice system on February 14, 2013, issued a Media Release, and also posted the notice and provided electronic versions of the related documents and maps on the DNR Planning webpage. The Borough posted information on their web site and advertised the notice in the in the *Frontiersman* on February 19, 22 and March 15, 2013. Additionally, copies of the notice were sent to the Big Lake, Wasilla and Willow post offices for posting. Copies of the public notice were also posted at all Borough libraries and sent to all affected community councils.

IV. RESPONSE TO PUBLIC COMMENTS

Three written comments were received from the public which focused on three separate issues. Following are these issues, a response, and the action taken as the issue relates to the exchange:

Comment 1.

Issue : Parcels A, B and C should be used as a place to monitor the railroad for noise, coal dust and dirt.

Response: While, not site specific the environmental approval documents for this project require on-going monitoring for a variety of topics both during construction and on-going operations. Various locations and time periods will be established for this purpose outside of this land exchange process..

Action Taken: No change to the DNR Preliminary Decision or Borough Best Interest Finding.

Comment 2.

Issue: Parcels C, D and F could complicate future road access to the Parks Highway going north on the west side of the Little Susitna River. (Note: Parcel C is only 3.4 acres in size and is located on the east side of the Little Susitna River. It is believed that the commenter meant to say parcels D, E and F.)

Response: A review of the *Mat-Su Borough Long-Range Transportation Plan (adopted June 2007)* does not mention or show and road planned or potential road corridors in this general area west of the Little Susitna River. There is no road or transportation corridor in the area of these parcels in any other adopted Borough or the state area plan for the region. The Fish Creek Management Plan, adopted by both the borough and the state, also does not designate a road that would affect Parcel F.

Parcels D and E are both located between South Rolly Lake and Red Shirt Lake. An existing trail (Red Shirt Lake Trail) connects these two lakes that is used by local property owners to access their property on Red Shirt Lake. South Rolly Lake is accessible by highway vehicles.

Red Shirt Lake is accessible by the before mentioned trail and by float or ski plane. The Red Shirt Lake Trail bisects both parcels D and E.

Parcel F, while a large parcel (446 acres) is nestled between residential areas on Red Shirt Lake and the Nancy Lake State Recreation Area. Like Parcels C and D, there has never been support for extending a road system into this area. The terrain and location of Parcel F does not appear to be a good or viable alignment for a collector or arterial road.

Action Taken: No change to the DNR Preliminary Decision or Borough Best Interest Finding.

Comment 3.

Issue: The proposed exchange takes land we could use for agriculture or logging and creates lands with very limited use. Please consider exchanging this land (Parcels D, E and F) for land with agriculture potential with good access to the road system.

Response: In September 2010 the Borough adopted the *Asset Management Plan: Natural Resource Management Unit's Plan*. This plan, through a forest inventory process identified commercial forest land on Borough owned land. The three parcels mentioned by the commenter were not identified during this inventory as commercial forest land.

Soils information from the US Department of Agriculture, Natural Resources Conservation Service was reviewed for the agricultural potential for parcels D, E and F. All three parcels have mixed soil types with the majority of soils in all three parcels being comprised of Cryaquepts, Estelle silt loam that ranges from moderately step to sloping, Kashwitna silt loam, and Whitsol silt loam. According to the Natural Resources Conservation Service these five soil types are “not prime farmland.”

The commenter also suggested finding other land suitable for agriculture closer to the road system to use in the exchange. Both the DNR and Borough have always been very sensitive to the need to ensure that land both physically and economically suited for agricultural uses is not unnecessarily converted to another land use and made available for agricultural purposes. All suitable agricultural land in Borough ownership that meets the commenters criteria are already in private ownership.

Additional prime agricultural land has been identified and reserved for agricultural purposes in the Fish Creek area (see the 2010 *Fish Creek Management Plan*) which contains a mixture of state and borough owned land. Unfortunately, road access to this area is not currently available and likely will not become available in the foreseeable future. Additionally, both the Susitna Matanuska and Southeast Susitna Area Plan identify many other areas for potential agricultural use throughout the Susitna Valley.

Action Taken: No change to the DNR Preliminary Decision or Borough Best Interest Finding.

V. DISCUSSION

It is in the best interest of the state to enter into this exchange because the exchange provides benefits to the state and meets the requirements for exchanges under AS 29.65.090. It also benefits the borough and meets their requirements for exchange under MSB 23.05.030.

The requirement for the exchange to be of approximately equal value has been met and the requirement for it to be in the public interest is satisfied. The acquisition of borough land by the state along the boundary of the NLSRA results in more effective land management for the Division of Parks and Outdoor Recreation and specifically for the Red Shirt Lake Trail since the length of the trail is wholly under state control. Divesting Parcel A from state ownership is also advantageous; that parcel is an isolated remnant of state land surrounded by University of Alaska and borough properties and it is difficult to manage. The exchange is also advantageous to the borough in that it consolidates properties under their ownership within the ARR right of way. Other than the ARR right-of-way, parcel A is intended to be included in the borough's wetland mitigation bank.

VI. FINAL FINDING AND DECISION

The finding described above has been reviewed and considered. Public notice has been accomplished in accordance with AS 38.05.945. The case file has been found to be complete. I find that the recommended action is in the best interest of the state under AS 38.05.035(e), including the broader public interest under AS 29.65.090, and it is hereby approved subject to the stipulations on pages 8-9 of the Preliminary Decision related to this action.



Brent Goodrum
Director, Division of Mining, Land, and Water

4/5/2013

Date

The date of issuance of this decision is five days after the date of concurrence with the decision by the Director.

Appeal Procedures

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of 'issuance' of this decision, as defined in 11 AAC 02.040(c) and (d), and may be delivered to Daniel S. Sullivan, Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, AK, 99501; faxed to 1-907-269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. If no appeal is filed by that date, this decision goes into effect as a final order and decision on the 31st day after the date of issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.