LAND FOR ALASKANS

AUCTION # 441





State of Alaska Department of Natural Resources Public Information Center 550 W. Seventh Ave., Suite 1260 Anchorage, Alaska 99501 (907) 269-8400 State of Alaska Department of Natural Resources Division of Agriculture Southcentral Region 1800 Glenn Highway, Suite 12 Palmer, Alaska 99645-6736 (907) 745-7200 Steve_Trickett@dnr.state.ak.us

State of Alaska Department of Natural Resources Northern Regional Office 3700 Airport Way Fairbanks, Alaska 99709-4699 (907) 451-2780 Ed_Arobio@dnr.state.ak.us

www.state.ak.us
Online Public Notice

Spring 2005 TONSINA NORTH AGRICULTURAL AUCTION STATE LAND OFFERING SOUTHCENTRAL REGION

ALASKA STATE AGRICULTURAL LAND OFFERING SPRING 2005 AUCTION #441 AUCTION SCHEDULE

April 22, 2005, Brochures Available

June 11, 2005, ~ Outcry Auction, Kenny Lake Community Center - Mile 8 Edgerton Highway.

Doors will be opened at 2:00 p.m. Bidding will start at 3:00 p.m. Bidders or approved agents must be present to bid.

June 20, 2005 – July 15, 2005 Over-The-Counter Lottery Application Period

A complete list of OTC Lottery parcels will be posted by June 17, 2005, at **www.dnr.state.ak.us/mlw/landsale/** and will also be available at any of the Department of Natural Resources Public Information Offices. All applications for the initial opening must be received by DNR or submitted on-line no later than **5:00 p.m., Friday July 15, 2005**.

July 20, 2005 ~ Initial Over-The-Counter Lottery

The Initial OTC Lottery begins at **10:00 a.m., Wednesday July 20, 2005,** in the Anchorage Department of Natural Resources Public Information Office located in the Atwood Building, Suite #1260, Anchorage, Alaska. All remaining parcels will become available for purchase Over-The-Counter following completion of the Initial OTC Lottery.

PLEASE NOTE:

This brochure is provided free of charge by the Department of Natural Resources. Additional copies may be obtained by contacting any of the DNR Public Information Offices. To have a copy mailed to you, a postage and handling costs of \$1.50 will apply. This brochure can also be viewed on the web at <u>http://www.dnr.state.ak.us/ag/ag_sales.htm</u>

Introduction

This Brochure describes the parcels of land offered by the Department of Natural Resources (DNR), Division of Agriculture (DOA) for the Division of Mining, Land & Water (DMLW) in the Spring 2005 Alaska State Agricultural Land Offering – Auction #441 and explains how to bid on a parcel. The Spring 2005 Alaska State Land Offering is a public Outcry Auction sale of 6 parcels. This Brochure presents general information about this land offering, followed by conditions for purchase, and concludes with the specific requirements and procedures for participating in the Outcry Auction and Initial Over-The-Counter Lottery. The Brochure lists and describes the auction parcels. Additional copies of this Brochure may be obtained at the following DNR Public Information Offices located in Anchorage, Fairbanks, and Juneau. In addition Brochures will be available at the Division of Agriculture offices in Palmer and Fairbanks. Copies may also be downloaded from the DNR web site at http://www.dnr.state.ak.us/ag/ag_sales.htm. If you need this Brochure in an alternate format in order to utilize assistive technology for visual impairments, please call one of the three DNR Public Information Offices listed below.

DNR Public Information Offices

Each DNR Public Information Office has access to survey and status maps, appraisal reports, area plans, and other information relevant to the parcels offered in that region. These offices also provide information regarding all DNR programs and policies, and may be able to help you find the applications, forms, and fact sheets to answer all of your DNR related questions.

SOUTHCENTRAL REGION

DNR Public Information Center 550 West 7th Avenue, Suite 1260, Anchorage, Alaska 99501-3557 Tel: (907)269-8400, Fax: (907)269-8901, TDD: (907)269-8411 Recorded Information (907)269-8400 Office hours: Monday through Friday, 10:00 a.m.-5:00 p.m. **pic@dnr.state.ak.us**

NORTHERN REGION

DNR Public Information Center 3700 Airport Way, Fairbanks, Alaska 99709-4699 Tel: (907)451-2705, Fax: (907)451-2706, TDD: (907)451-2770 Office hours: Monday through Friday, 10:00 a.m.-5:00 p.m.

SOUTHEAST REGION

Division of Mining, Land and Water Information Office 400 Willoughby Avenue, 4th Floor, Juneau, Alaska 99801 Tel: (907)465-3400, Fax: (907)586-2954, For TDD call Anchorage (907)269-8411 Office hours: Monday through Friday, 8:00 a.m.-5:00 p.m.

DIVISION of AGRICULTURE

1800 Glenn Highway, Suite 12 Palmer, Alaska 99645 Tel: (907) 761-3863, Fax: (907) 745-7254 Office Hours: Monday through Friday, 8:00 a.m. – 5:00 p.m.

GENERAL INFORMATION

Land Records, Survey Plats, and Maps

Comprehensive parcel and area information can be found by researching various state and federal websites. A valuable resource developed by DNR and the Bureau of Land Management (BLM) is **www.landrecords.info**, which lists links to many DNR and BLM websites where you can find information such as recorded state survey plats, federal master title plats, state status plats, recorded subdivision covenants, mapping/GIS applications, and casefile summaries.

Topographic maps may be purchased from the United States Geological Survey (USGS), Earth Science Information Center, Grace Hall Alaska Pacific University, 4230 University Drive, Room 101, Anchorage, AK 99508, (907) 786-7011; or Map Office, Geophysical Institute, University of Alaska, Fairbanks, 930 Koyukuk Drive, PO Box 757320, Fairbanks, AK 99775-7320, (907) 474-6960; or from numerous other commercial sources.

Full size copies of the recorded survey plats are available at DNR Public Information Offices for \$2.00 per sheet or at the appropriate District Recorder's Office for \$3.00 per sheet.

Site Inspection

DNR strongly urges anyone wishing to purchase a parcel to first review all information and then personally inspect the land before submitting a bid. The land chosen by a bidder/applicant is taken "AS IS" with no guarantees, expressed or implied (including in this case – any specific agricultural use), as to its suitability for any intended use. Failure to inspect prior to submitting a bid constitutes acceptance of the parcel "AS IS" and "WHERE IS".

<u>Access</u>

The location of legal access to a parcel may be obtained from the appropriate regional DNR Public Information Office. It is your responsibility to properly locate yourself when crossing both public and private land to ensure you are on a legal right-of-way or section-line easement.

You are strongly urged to apply for a Right-of-Way Permit or obtain an Access Easement to document existing or newly established routes used to access your parcel. Improvements to existing rights-of-way may require a special permit depending on the activity and the type of right-of-way.

The state has no legal obligation to build roads or provide services to or within any subdivision or parcel. Rights-of-way shown on the survey plats designate areas reserved for access but do not necessarily indicate the existence of a constructed road. In many cases roads have not been constructed. However, legal access does exist to all parcels. For instance, access may be via section-line easements (unless the section-line easement has been vacated), platted rights-of-way, trail easements, navigable water bodies, or across unreserved state land. Physical access may be via roads, trails, fly-in, snowmachine, off-road vehicle, or boat. You should inquire at one of the DNR Public Information Offices or borough land office to see if there is an existing road on a reserved right-of-way. PLEASE BE ADVISED THAT LEGAL ACCESS TO A PARCEL DOES NOT NECESSARILY CONSTITUTE DEVELOPED OR PRACTICAL ACCESS.

There are certain generally allowed uses on state land managed by the Division of Mining, Land and Water that do not require a permit from DNR (11 AAC 96.020). The fact sheet at **www.dnr.state.ak.us/mlw/factsht/gen_allow_use.pdf** contains more information about these generally allowed uses, including a list of areas where they do not apply and other restrictions.

Travel across unreserved state land may be made without a permit by the following methods:

- Hiking, backpacking, skiing, climbing, and other foot travel; bicycling; and traveling by horse or dogsled or with pack animals.
- Using a highway vehicle with a curb weight of up to 10,000 pounds, including a four-wheel drive vehicle or a pickup truck, or using a recreational-type off-road or all-terrain vehicle with a curb weight of up to 1,500 pounds, such as a snowmachine or four-wheeler, on or off an established road easement, if use off the road easement does not cause or contribute to water quality degradation, alteration of drainage systems, significant rutting, ground disturbance, or thermal erosion. An authorization is required from DNR Office of Habitat Management and Permitting for any motorized travel in fish bearing streams. Phone the Anchorage (907-269-8690), Fairbanks (907-

459-7289), or Juneau (907-465-4105) DNR Office of Habitat Management and Permitting for further information.

 Landing an aircraft (such as a single-engine airplane or helicopter), or using watercraft (such as a boat, jet-ski, raft, or canoe), without damaging the land, including shoreland, tideland, and submerged land.

Access improvements on unreserved state land may be allowed without a permit under the following conditions:

- Brushing or cutting a trail less than five feet wide using only hand-held tools such as a chainsaw (making a trail does not create a property right or interest in the trail).
- Anchoring a mooring buoy in a lake, river, or marine waters, or placing a float, dock, boat haul out, floating breakwater, or boathouse in a lake, river, or in marine waters, for the personal, noncommercial use of the upland owner, if the use does not interfere with public access or another public use, and if the improvement is placed within the projected sidelines of the contiguous upland owner's parcel or otherwise has the consent of the affected upland owner.

Vehicles are required to use existing trails where possible. Where no trails exist, vehicles are required to use the legal access to minimize the number of trails across public lands. Moving heavy equipment, such as a bulldozer, is not authorized on state land without a permit. A permit can be obtained from the appropriate DNR regional office.

<u>RS 2477</u>

Revised Statute 2477 is a federal law that granted states and territories unrestricted rights-of-way over federal lands that had no existing reservations or private entries. Historic RS 2477 trails and/or roads may exist on state land and the transfer of state land into private ownership does not extinguish pre-existing rights. Some rights-of-way could potentially be improved for access to valuable state resources, communities, and land. Others will be used as they have been in the past. Some may not be used at all, or may be developed only as foot trails. If in doubt whether there is an RS 2477 right-of-way across the parcel, check the public land records. More information regarding RS 2477 rights-of-way is available at any of the DNR Public Information Offices, and on-line at www.dnr.state.ak.us/mlw/trails/rs2477.

Existing Easements and Reservations

All parcels offered in this brochure are subject to all platted and valid existing easements and reservations including rights-of-way, building setbacks, utility easements, pedestrian easements, roads, and trails. These easements and reservations may be shown graphically on the survey plat or may be listed in the 'Notes' section of the plat. It is your responsibility to thoroughly review the recorded survey or subdivision plat, any reservations represented in this brochure, and any other items found in the recorded land records for a complete picture of the restrictions and conditions that may affect each individual lot, along with a physical inspection of the parcel. Subdivision survey plats may be viewed on-line at **www.dnr.state.ak.us/landrecords**, or by visiting the nearest DNR Public Information Office.

All state-owned lands bordering section lines have a reserved public access easement 50 feet in width along each side of the section line, unless the easement has been vacated or officially removed. In many state subdivision plats, if a section line passes through the subdivision but is not shown as a road, this means the section-line easement has been vacated. If the section line is unsurveyed, a survey will be required before access construction is allowed on the easement. If the section line easement has been vacated, no public access is allowed.

All public access easements, including those along public or navigable water bodies, are reserved for public use. You may not obstruct a public access easement or make it unusable by the public.

Use of Adjacent State Land

Uses of state land, other than those uses stated in 11 AAC 96.020 (Generally Allowed Uses on State Land), may require a land use authorization from the Department of Natural Resources.

Driveways and Approach Roads

Driveways and/or approach roads from established Department of Transportation and Public Facilities (DOTPF) maintained roads may have to be constructed in order to provide access to the subdivision and individual parcels, and a permit may be required. Prior to any driveway or approach road construction utilizing a state managed right-of-way, the Right-of-Way Section of the appropriate regional office of DOTPF must be consulted. Parking on the side or shoulder of roads can cause traffic safety problems and damage to the road shoulder.

Archaeological Sites

The Alaska Historic Preservation Act prohibits the appropriation, excavation, removal, injury, or destruction of any state-owned historic, prehistoric (paleontological), or archaeological site without a permit from the Commissioner of the Department of Natural Resources (AS 41.35.200). Should any sites be discovered during parcel development, activities that may damage the site will cease. The Office of History and Archaeology in the Division of Parks and Outdoor Recreation should be notified immediately.

Mineral Estate

The state retains ownership of all oil, gas, coal, ore, minerals, fissionable materials, geothermal resources, and fossils that may be in or upon the land that it sells (AS 38.05.125). The state reserves the right to enter onto the land to explore for and develop these mineral resources. The state may lease them to mineral developers or allow mining locations to be staked. However, Alaska law also provides that the surface owner will be compensated for damages resulting from mineral exploration and development (AS 38.05.130). Mineral closing orders, where they have been established, close the area to exploration and development of locatable minerals such as gold, copper, platinum, etc. Mineral closing orders do not apply to oil and gas leasing, coal leasing, shallow gas leasing, or exploration licensing, nor do they preclude reasonable surface access to these resources.

Timber and Other Building Materials on Site

Except for timber, before receiving title to state land, purchasers are strictly prohibited from selling or removing from the parcel any surface resource such as stone, gravel, sand, peat, topsoil, or any other material valuable for commercial or off-site purposes. Such materials may be used only on the parcel.

DNR Division of Forestry issues personal use permits for the purchase of fuel wood from state land. Personal use contracts are also issued for the purchase of house logs and saw logs. Contact the Area Forester well in advance of need.

No Warranty of Suitability, Fitness, or Title

Parcels are sold "AS - IS" and "WHERE - IS" with all faults, and in the condition as of the date of the sale with no guarantees, expressed or implied, as to suitability or fitness for any intended use, or whether public utilities or services will be provided. The State makes no warranty, expressed or implied, nor assumes any liability whatsoever, regarding the social, economic, or environmental aspects of the parcel, including, without limitation, the soil conditions, water drainage, access, natural or artificial hazards that may exist, or the profitability of the parcel. It is your responsibility to inspect the parcel and be thoroughly acquainted with the parcel condition prior to bidding.

The State makes no warranty, expressed or implied, regarding marketable title. It is your responsibility to determine and consider if encumbrances or the possibility of encumbrances, which may affect marketable title, including those of record or apparent by inspection of the property, matter in your decision to enter into this contract.

Homeowners Associations

If a subdivision has an active, incorporated Homeowners Association, subsequent owners of parcels automatically become members. To find out if a subdivision has an active, incorporated Homeowners Association, contact the Alaska Department of Community and Economic Development, Division of Banking, Securities, and Corporations (907) 465-2530, or via the Internet at **www.dced.state.ak.us/bsc** by using the 'Search Corporation Database' feature and the name of the subdivision.

<u>Taxes</u>

Parcels offered in this disposal are subject to taxes and assessments levied by local taxing authorities. Failure to pay property taxes on parcels purchased under contract with the state is a violation of the purchase contract and may result in contract termination.

Restrictions on Subdividing

You may not subdivide or re-plat the land prior to receiving title. After title is conveyed, subdividing of any parcel must comply with state or local platting requirements, the limitations associated with an agricultural sale (AS 38.05.321) and in accordance with the requirements of the Alaska Department of Environmental Conservation (ADEC).

Subdividing Agricultural Parcels

Agricultural parcels may not be subdivided until patented. After a patent is received, the owner may, after first paying the required fee to the state for the right to construct housing on each subdivided parcel of less than 640 acres, subdivide under the authority of AS 38.05.321(a)(2)(B). The subdivision may not create more than 4 parcels. No parcel may be less than 40 acres.

There are exceptions:

• For each subdivided parcel of at least 640 acres, there is no payment to the State of Alaska for the right to construct housing;

 If a subdivided parcel is to be conveyed to a member of the owner's immediate family, the payment may be delayed until the parcel is conveyed outside of the immediate family. There will be a lien on the parcel until the payment is made. Your immediate family may include your spouse as well as your parent, child (including your stepchild or adoptive child), or sibling (your brother or sister), if your parent, child, or sibling lives with you, depends on you financially, or shares a substantial financial interest with you.

Sewer and Water

No individual water supply system or sewage disposal system shall be permitted on any lot unless such system is located, constructed, and equipped in accordance with the requirements of the Alaska Department of Environmental Conservation (ADEC). Approval of such systems shall be obtained from ADEC. Many of the subdivisions included in this land offering have some restrictions on the types of sewage disposal systems allowed. For more information on a particular subdivision or lot, please refer to the subdivision survey plat and contact the appropriate regional office of ADEC.

Water Rights and Usage

To obtain water rights on your parcel, you must apply for a permit from the Division of Mining, Land and Water. Information and applications for water rights are available at any of the DNR Public Information Offices and on-line at www.dnr.state.ak.us/mlw/water.

Improvements

It is your responsibility to properly locate all property boundary monuments on your parcel and to contain any improvements within the parcel (11 AAC 67.020). No improvements, other than access, may be placed or constructed within any easements or rights-of-way of record. This includes, but is not limited to, section-line easements, public access easements, road rights-of-way, utility easements, and building setbacks.

It is your responsibility to obtain all necessary authorizations from federal, state, or local agencies prior to placing or constructing any improvements.

Previously Authorized Improvements/Hazards

Some parcels in this brochure may have abandoned improvements or limited development on the land. The minimum bid price of the parcels includes the value of any improvements and/or previous resource use or sale. DNR has not necessarily inspected the parcels in this brochure to determine if garbage, abandoned materials or even hazardous waste might be present. The purchaser of the parcel is responsible for the

disposal of any existing garbage or wastes. You should inspect all parcels prior to bidding/purchasing.

Future Offerings

The state reserves the right to offer additional parcels of land adjacent to or near previously sold parcels, thereby potentially increasing the population density in that area.

Nomination of Land for Future Offerings

DNR seeks land nominations from the public for state land sales and considers public interest when offering land through the auction program. If you are interested in nominating land for state land sale programs, fill out a nomination form and return it to a Public Information Center. You will need to include basic information about the location of the nominated land, whether or not the land is owned by the State of Alaska, and if it is classified for settlement under land use plans. For more information about the nomination process and to acquire nomination forms, see the fact sheet 'Nominating Land for State Land Sale Programs' at

http://www.dnr.state.ak.us/mlw/factsht/land_nominating.pdf.

Multiple Uses

The land sale described in this brochure is only one of the land uses that may occur in any given area. A variety of other authorized uses such as mining or timber sales can and do occur on municipal, state, or federal lands near the offered parcels. Such uses not only affect adjacent land, but also roads that are intended for access to those areas. Large truck and heavy equipment traffic may occur, and in some cases, small roads or trails are developed, improved, and maintained to accommodate increased traffic. It is strongly recommended that you take this into consideration when applying for the purchase of state land.

Fire Protection

Some state lands are in areas without fire protection or with only limited fire protection. The state assumes no duty to fight fires in these areas. Wildfires should be considered a serious potential hazard even in areas designated for fire protection. If you wish to develop your parcel, you should plan on implementing wildfire mitigation methods, including establishing a defensible space. Existing interagency programs, such as FIREWISE at **www.firewise.org**, can provide prospective landowners with valuable information regarding wildfire mitigation.

In specific areas of the state, burning permits are required for all burning other than fires contained within an approved device, and fires used for signaling, cooking or warming. All other burning in the permit areas requires a permit during the fire season.

There are potential liabilities if your fire escapes control (AS 41.15.060, AS 41.15.090). For further information regarding wildfire mitigation and burning permits, contact the regional DNR Division of Forestry office. A list of their locations, addresses, and telephone numbers may be obtained from any of the DNR Public Information Offices as well as on-line at <u>www.dnr.state.ak.us/forestry</u>.

Fish Habitat Requirements

Conducting any development activity below the ordinary high water line of a specified anadromous waterbody requires the prior written approval of DNR (AS 41.14.870). These development activities include, but are not limited to: constructing dams, bank protection, dock construction (including the installation or replacement of pilings), culvert installation, crossing streams with vehicles, in-water dredging, debris removal, and water withdrawals. DNR is responsible for reviewing and, if appropriate, issuing permits for these projects (AS 41.14.870). The DNR Office of Habitat Management and Permitting administers all Fish Habitat Permits. If you conduct any development activity below the ordinary high water line of a specified anadromous waterbody without notifying and receiving the prior written approval from DNR, you are violating state law and may be charged with a Class A misdemeanor. Contact information for the DNR Office of Habitat Management and Permitting, and information on obtaining permits can be found on-line at www.dnr.state.ak.us/habitat.

Fish and Game Requirements

Alaska Department of Fish and Game regulations allow taking game in defense of life or property only when all other practical means to protect life and property have been exhausted and the necessity for taking the animal is not brought about by harassment or provocation of the animal, by unreasonable invasion of the animal's habitat, or by the improper disposal of garbage or a similar attractive nuisance.

Eagle Nesting Sites

Federal law prohibits any disturbance of bald eagles or their nests. The U.S. Fish and Wildlife Service (USFWS) enforces this law. The USFWS generally recommends no clearing of vegetation within 330 feet of any nest. No construction or other potentially disturbing activity should occur within 660 feet of any nest between March 1 and June 1.

Between June 1 and August 31, no construction activity should occur within 660 feet of active eagle nests until after juvenile birds have fledged. Nest trees should not be disturbed at all. Consult with USFWS on the siting of structures and roads or cutting mature trees within 330 feet of a nest tree.

<u>Wetlands</u>

Some state land offerings contain areas of wetlands. Wetlands perform many important functions, including providing habitat for wildlife, preserving water quality, providing flood protection, and enhancing groundwater recharge. Before putting any dredged or fill material in wetlands (for example, to build a road, or any other land-clearing activity), purchasers may need a permit from the District Engineer of the U.S. Army Corps of Engineers. Dredging wetlands or adding fill without a valid permit may result in civil fines or criminal charges. For further information or wetlands delineation, contact the U.S. Army Corps of Engineers or the Natural Resources Conservation Service.

Alaska Exempt Wetland (AEW) acreage as distinguished from standard, non-exempt wetland, may be developed under permit from the Corps of Engineers, Regulatory Branch, without a risk of conflict with USDA support programs.

<u>Wildlife</u>

Agricultural Development activities may potentially displace and /or attract wildlife. You are encouraged to contact the Alaska Department of Fish and Game for information on how to minimize conflicts with wildlife.

AUCTION INFORMATION

Bidder Qualifications

It is your responsibility to prove that you are eligible to participate in the program. Regulation changes adopted in February 2001 have affected bidder/applicant qualifications. The Changes are found in 11 AAC 67.005 and 11 AAC 67.008. **Please read this section on bidder qualification thoroughly before you submit a bid.**

To be eligible to bid, an individual must be at least 18 years of age on or before the date of the auction and be able to substantiate age when registering. In addition, If you are the successful bidder for a parcel and wish to enter into a purchase contract with the state, you must also certify that you:

- Have not had a Department of Natural Resources lease or purchase contract administratively foreclosed or terminated for cause within the past three years (contact the Contract Administration Unit at (907) 269-8594 if you have any questions about eligibility);
- 2) Are not currently in default for nonpayment on a purchase contract or lease issued by the department;
- 3) Are not currently in default for nonpayment of municipal taxes or assessments on property currently under a DNR lease or purchase contract;
- 4) Are not currently in default of the clearing and preparation for cultivation requirements of a previous Agricultural purchase contract; and
- 5) Are not currently in default of any condition associated with a note, lease or other authorization issued by the Agricultural Revolving Loan Fund.

Purchase contracts will **not** be issued by the State of Alaska unless all five qualifications listed above are met. If you are the successful bidder for a parcel and **do not** meet the qualifications for a purchase contract in 1 - 5 listed above, you must pay the bid amount in full upon notification. Failure to submit payment in full upon notification will result in the forfeiture of bid deposit.

A bidder may be represented by an agent. The agent will be required to file, at the time of registration for this auction, an original or certified true copy of a power of attorney properly executed by the person being represented. An agent may represent only one principal and a principal may only be represented by one agent. An agent may not participate for himself or herself, and the person being represented at this auction. If a power of attorney is used by the successful bidder, it will be retained by the State in the case file.

Residency Requirement

There are no residency requirements for eligibility to bid in an Outcry Auction for agricultural land. (AS 38.05.055).

Multiple Applicants on One Bid Form

Two or more individuals may jointly submit a single bid. To do so, all those bidding must be eligible to bid. Successful bidders' names will carry forward to the purchase contract, or patent if the purchase price is paid in full. Names may not be added to or deleted from the bid form after it has been submitted. Successful joint applicants will not be eligible to individually win an additional parcel in the Auction.

Misrepresentation – Price Fixing

You may not attempt to influence bidding by others, conspire with other purchasers to reduce the price of a parcel, or otherwise act to defeat an open, fair-market bidding process. If you provide false information on forms or other required documents, you may be prosecuted to the full extent of the law. In addition to any other penalties prescribed by law, you will forfeit all monies paid and may lose all right, title, and interest in the land if a purchase contract has been issued.

Anyone who misrepresents themselves as owners of any of these parcels of land or who wrongfully represents that they have any legal rights to these parcels may be engaged in a fraudulent practice and may be prosecuted to the full extent of the law. If you are approached by someone or become aware of someone who claims any ownership or other legal rights in these parcels, please contact the Department of Natural Resources Public Information Center, at **pic@dnr.state.ak.us** or (907) 269-8400, and provide any information that you may have.

Right to Adjourn/Postpone/Cancel

DNR reserves the right to postpone or cancel a land offering, in whole or in part, if necessary to protect the interest of the State of Alaska at any time prior to or during the offering, even after an apparent high bidder has been determined, prior to DNR signing a final conveyance document, including all Over-the-Counter offerings.

Brochure Amendments

This brochure is intended for informational purposes only and does not constitute an offer to sell. At times, modifications in the terms of a land offering become necessary after the publication of the brochure. Changes are announced and published as soon as possible in supplemental information sheets called erratas. You may obtain a copy of new or existing erratas from the DNR Public Information Offices or on-line at http://www.dnr.state.ak.us/ag/ag_sales.htm.

It is your responsibility to keep informed of any changes or corrections prior to submitting a bid. DNR reserves the right to make changes up to the time a contract or patent is issued. DNR reserves the right to waive technical defects or errors in this publication.

Buying Multiple Parcels

11 AAC 67.005(b) has been repealed. This regulation previously restricted buyers from purchasing more than one parcel from each department land offering. For administrative

purposes, the Outcry Auction will still be limited to one parcel per person; however, additional parcels from this offering may be purchased during the Initial OTC Lottery and the Over-the-Counter Offerings.

Appeals

An aggrieved bidder may appeal to the Commissioner within five days after the sale for a review of the Director's determination (AS 35.05.055). Appeals may be sent by mail to Commissioner Thomas E. Irwin, Department of Natural Resources, 550 West 7th Avenue, Suite 1400, Anchorage, AK 99501, by fax to (907) 269-8918, or by electronic mail to **dnr_appeals @dnr.state.ak.us**.

PURCHASE INFORMATION

Parcels may be purchased either by paying the full purchase price for the parcel in a lump sum, or by entering into a sale contract with the State of Alaska or its authorized representative.

You are responsible for maintaining a current address with the Division of Mining, Land & Water during the life of the sale contract. Any notice or other correspondence sent to you is sufficient if mailed to the last address of record.

Lump Sum Payment

If the purchase price minus the minimum five percent down payment, per parcel, is \$2,000 or less, the purchase price must be paid in full. Even with the purchase price paid in full, a land sale contract will still be issued to insure compliance with the additional purchase requirements. The balance due (purchase price minus the minimum five percent down payment) will be due 30 days after the Award Notification letter is received by the purchaser.

If you are the successful bidder for a parcel and do not meet requirements 1 - 5 listed in the "Bidder Qualifications" section, a lump sum payment will be <u>required</u>.

Sale Contracts

If the purchase price minus the minimum five percent down payment, per parcel, is greater than \$2,000, the remainder may be paid by sale contract. Once you have signed a state land sale contract, you have entered into a legal, binding contract. Your money will not be refunded if the contract is in default, has been relinquished, or is otherwise terminated.

A sale contract will not be issued by the State of Alaska unless all five requirements listed in the "Bidder Qualifications" section are met.

The terms for purchasing state land by sale contract are:

- Minimum down payment of five percent (5%) of the purchase price;
- Non-refundable document handling fee of \$100.00;
- Contract for payment of the balance, with interest, over a period of up to 20 years based on the following parameters:

DNR will provide for a monthly installment payment schedule unless the department determines that a quarterly or annual installment payment schedule is more administratively efficient. Monthly principal and interest payments will be set on a level- payment basis according to the following financed principal amounts (11 AAC 67.875):

- o \$ 2,000.00 or less must be paid in full at time of purchase;
- \$2,000.01 to \$9,999.99, contract length will not be more than 5 years;
- o \$10,000.00 to \$14,999.99, contract length will not be more than 10 years;
- \circ \$15,000.00 to \$19,999.99, contract length will not be more than 15 years;
- \$20,000.00 or more, contract length will not be more than 20 years.
- The interest rate on all land sale contracts will be the prime rate as reported in the Wall Street Journal on the first business day of the month in which the contract is sent to you for signature, plus three percent; however, the total rate of interest may not exceed 9.5 percent. Interest begins to accrue on the effective date shown on the face of the contract.

You may, at any time, pay more than the required payment. DNR does not charge a prepayment penalty. Checks returned for any reason may invalidate the transaction and terminate all rights of the purchaser.

Your contract will be issued as soon as possible, however delays up to and exceeding 120 days are possible. The state does not allow early entry for development activity until the sale contract is issued, or patent is received. Please contact the Contract Administration Unit at (907) 269-8594 for additional information.

Service Charge

Once the contract for sale has been executed, you will owe a service fee for any late payment or returned check as follows:

- Late Payment Penalty: A breach caused by the failure of the purchaser to make payments required by the contract may be cured by payment of the sum in default and a fee, as specified in AS 38.05.065(d), of \$50.00 or five percent (5%) of the sum in default, whichever is larger. Contract payments received apply first toward any late fees, then towards interest owed, and any remainder reduces the principal balance.
- Returned Check Penalty: A returned check fee of \$25.00, as provided in 11 AAC 05.010, will be assessed for any check on which the bank refuses payment. The default termination date, the date payment is due, will not be altered due to a delay caused by a bank refusing payment. Late penalties under (1) of this section shall continue to accumulate.

State Farm Conservation Plan

The successful bidder will be required to submit a State Farm Conservation Plan (SFCP), reviewed by the Local Soil and Water Conservation District and then sent to the Division of Agriculture, 1800 Glenn Highway, Suite 12, Palmer, Alaska 99645, no later than 5:00 p.m., August 19, 2005. The conservation plan follows a standard format as required by the Department of Natural Resources. The form may be picked up at the Division of Agriculture in Fairbanks or Palmer, and will be mailed to the successful bidder after the auction. The contract for sale may not be issued until an approved State Farm Conservation Plan is submitted.

A SFCP must be prepared by the successful bidder/purchaser. Information and assistance in the preparation of the SFCP is available from numerous sources including the Division of Agriculture. If additional, or more specific technical information is needed, other sources include the local Soil and Water Conservation District, the USDA Natural Resource Conservation Service, Department of Fish and Game and the University of Alaska Extension Service. A SFCP must include:

- 1. A map of the farm showing:
 - the planned location of clearing and breaking of ground;
 - planned location of windbreaks, farm pond, and similar conservation measures and improvements; and
 - planned location of real property improvements (house, barn, fence, etc.)
- 2. Access roads, legal easements, and existing physical features such as water bodies;
- 3. Planned soil conservation measures;
- 4. A plan for burning any clearing debris, including any vegetation that has previously been chained-down.

The successful bidder submits the completed SFCP to the appropriate Soil and Water Conservation District. District members review, comment and forward it to the Division of Agriculture for final approval. The approved SFCP is included by reference as an attachment to the sale contract.

Consideration by the purchaser and the reviewers should be given to, among other things, the type of crops as they relate to the natural conditions including soils, slope, moisture, temperatures, local wildlife, etc.

If the successful bidder/purchaser fails to provide an acceptable SFCP by the deadline, or within an extension of time granted in writing by the Director of the Division of Agriculture for good cause, the preparation of a sale contract will be terminated and the parcel forfeited. Any modification of the SFCP will require the same review process as the original plan. The new purchaser will, as a condition of the contract, be required to comply with the approved SFCP to the satisfaction of the Director of the Division of Agriculture. Development of a parcel in a manor not approved in the approved SFCP may constitute a Breach of contract. If a purchaser is found to be in Breach, a default notification may be issued. If a default notice is issued and if the default is not cured, it may result in a decision by the state to terminate the sale agreement. (AS 38.05.065)

Farm Development Requirement and Maintenance of Farmland

These parcels are subject to clearing and tillage requirements. In general the requirement is 25% of the well drained soils (as determined by a NRCS soils mapping project – this is our best available information) improved to a farmable condition within five years of issuance of the sale contract and maintained in that condition throughout the term of the sale contract.

"Improved to a farmable condition" is defined as:

- a) removal of essentially all woody material from the surface and subsurface; areas used for storage of such woody material shall have been surface-cleared prior to deposit of material;
- b) an initial tillage operation ("breaking") shall be sufficient to render the cleared land tillable by standard tillage implements such as tandem disc-harrow, fertilizer spreader, press drill, etc.

An owner/operator may verify satisfaction of this clearing, root clean-up, and breaking standard, by staging or imagining such practical tests as driving a two-wheel drive vehicle anywhere within the prepared field, or asking a knowledgeable farm neighbor if he/she would be willing to work the field with his or her standard tillage equipment.

Acres that are improved to a farmable condition must be maintained in that condition throughout the term of the sale contract. Patent will not be issued until the development

requirement is met. In addition, patent will not be issued if the land has not been maintained in a farmable condition.

Real Property Improvements

Fixed permanent improvements reasonably required for agricultural purposes, as defined by AS 38.05.321(j) are allowed on the parcel. All real property improvements must be depicted and described in the State Farm Conservation Plan.

Agricultural Land Sales

The sale of the agricultural interest is the conveyance of the surface estate in fee simple subject to conditions and covenants relating to agricultural use and development. The required covenants are:

- 1. A perpetual covenant for the benefit of all Alaska residents and running with the land that restricts or limits the use of the land for agricultural purposes; and
- A perpetual covenant that permits the owner of the land, obtained under this contract, to subdivide and convey not more than four parcels of the land of not less than 40 acres each, subject to the restriction that a subdivided parcel may not be further subdivided and further subject to the limitations established within AS 38.05.321(e).

Agricultural Purposes are defined in statute as:

- 1. The production, for commercial or personal use, of useful plants and animals;
- 2. The construction of:
 - housing for landowners and farm laborers,
 - improvements for animals,
 - improvements that are reasonably required for or related to agricultural uses;
- 3. The use of gravel reasonably required or related to agricultural production on the parcel conveyed; and
- 4. Removal of and disposition of timber in order to bring agricultural land into use.

Special information

Tonsina North is being sold under the state's Agricultural land disposal program. Prospective buyers should however, be aware that while this area does have soils suitable for growing crops, the elevation, aspect, presence of permafrost and other physical conditions may limit crop selection and/or require special management techniques in developing the agricultural potential. The predominant soils series are made up of Capability Class IV and VI soils. Soil classifications range from I to VIII, with Class I being the best and Class VIII being the most limited.

ADL 413342 is a 1000-foot wide Conditional Right-of-Way Lease issued to Yukon Pacific Corporation (YPC) for the Trans-Alaska Gas System (TAGS) pipeline. The current route for this Right-of-Way affects Tracts 1, 2, 4, 5, 6, 7 & 8 of the Tonsina North Subdivision sale area. Whether this Right-of-Way will come into existence as a present real property interest controlled by YPC and whether a gas pipeline facility would actually be constructed within the Right-of-Way is unknown at this time. Also pending is a proposal to realign the Right-of-Way so that it would lie within the approximate 1000-foot Right-of-Way corridor that was previously reserved between the Tonsina North Subdivision and the Copper Heights Subdivision and currently contains the oil pipeline. If realigned, it would no longer cross the agricultural parcels.

Although the Conditional Right-of-Way Lease states that "This conditional lease conveys no interest in land, property, or resources of the state, or any preference or priority rights to a particular right-of-way or alignment", the Conditional Right-of-Way Lease also provides that the Final Lease incorporated by reference into the Conditional Right-of-Way Lease will be issued to YPC if it meets the requirements in the Conditional Right-of-Way Lease. The Final Lease states that it is issued "subject to valid existing rights." The Final Lease, if it becomes effective, allows the State or YPC to use eminent domain to condemn private property for the Right-of-Way.

Tonsina North Subdivision Tracts 1, 2, 4, 5, & 7 are being sold "subject to" the Conditional Right-of-Way Lease and the Final Lease incorporated by reference. Prospective purchasers are invited to review the Conditional Right-of-Way Lease and its incorporated documents by contacting the Joint Pipeline Office at 411 W. 4th. Ave. Ste 2C, Anchorage, Alaska 99501-2343 or call Katie Farley at 907-257-1363 for more information on this aspect of the proposed sale. Prospective purchasers are further advised to contact private legal counsel if they need help understanding the legal ramifications of the Conditional Right-of-Way Lease.

Site-specific information will be needed to determine the need for and the location of water drainage structures within the project area. It is possible that there will be a need to run a water drainage structure from one parcel to and through another. Parcels included in this auction are subject to a 50-foot "floating easement" (not specifically located on the ground) to allow for any needed continuity of use between parcels. After on site conservation planning has been completed, and needed drainage has been

identified, this easement will automatically vacate on parcels where a drainage structure is determined not to be needed.

DNR will, upon a determination by a qualified person (qualified to do conservation planning in conformance to NRCS standards) that an easement is necessary to allow for the movement of water to allow for proper drainage, establish an ADL R/W file to incorporate all needed alignments within the Tonsina North Agricultural Subdivision.

Parcels #1 and #2 of the Tonsina North Agricultural Land Sale are located within an identified 10 - year wellhead protection area for the public water supply associated with "Grizzly Pizza". Grizzly Pizza is located at approximately mile 93 of the Richardson Highway. Conservation planning for these parcels must address practices that will be employed to minimize the potential for contamination of the ground and surface water associated with this public water source.

Noxious Weeds

Pursuant to State law AS 03.05.010 - .030, AS 44.37.030 and Regulations 11 AAC 34.020 -.045, Alaskan agricultural land owners are required to control and eradicate certain "pest" plants that may be found growing on, or that may somehow be introduced into Alaskan soils. Certain of these prohibited and restricted noxious weeds may be found within cropland areas of the parcel being sold. For additional information, please contact the Alaska Co-operative Extension office nearest the subject parcel.

The current list of PROHIBITED NOXIOUS WEEDS includes: 22

Bindweed, field (Convolvulus arvensis) Fieldcress, Austrian (Rorippa austriaca) Galensoga (Galensoga parviflora) Hempnettle (Galeopsis tetrahit) Horsenettle (Solanum carolinense) Knapweed, Russian (Centaurea repens) Lettuce, blue-flowering (Lactuca pulcchella) Quackgrass (Agropyrons repens) Sowthistle, penerrial (Sonchus arvensis) Spurge, leafy (Euphorbia esula) Thistle, Canada (Cirsium arvense) Whitetops and its varieties (Cardaria drabe, C. pubescens, Lepidium latifolium)

The current list of RESTRICTED NOXIOUS WEEDS includes:

Annual bluegrass (Poa annual) Blue burr (Lappula echinatat) Mustard (Brassica kaber, B. juncea) Oats, wild (Avena fatua) Plaintain, buckhorn (Plantago sp.) Radish, (Raphanus raphanistrum) Toadflax, yellow (Linaria vulgaris) Vetch, tufted (Vicia cracca) Wild Buckwheat (Polygonum vonvolvulus)

Outcry Auction Procedures

Bidder Registration

Bidder registration will begin at the time indicated on the day of the Auction. Anyone meeting bidder qualifications may register.

Auction Procedures

Only qualified and registered bidders may submit bids. The following procedures define the conduct of this Public Outcry Auction:

- 1. Upon registering, bidders will be issued a numbered bidder identification card.
- 2. Opening bid will begin at the appraised value stated in this Brochure.
- 3. Holding up the bidder identification card in response to the dollar value called by the auctioneer constitutes a bid when the bidder is recognized by the auctioneer.
- 4. A bidder may withdraw a bid at any time before the hammer falls.
- 5. If a bid is made while the hammer is falling, the auctioneer shall decide whether the bid is timely or not.
- 6. The auctioneer may request confirmation of a bid if a bidder's conduct is confusing or distracting, or if it is clear that the bidder does not hear or understand the call of the bid.
- 7. The auctioneer may withdraw the parcel from the Auction before the hammer falls.
- 8. A bidder or spectator may be ejected from the Auction if, in the judgment of the auctioneer, the person's conduct conflicts with the orderly proceeding of the Auction.
- 9. Immediately after the hammer falls, a successful bidder shall pay the State a bid deposit of five percent of the purchase price and a document handling fee of \$100 by personal check, cash, cashiers check, money order, or a combination thereof. Both the bid deposit and the document handling fee are owed to the state upon being declared the high bidder and both are non-refundable (do not bid if you are not prepared to purchase the parcel). The State will issue a receipt describing the land sold, the purchase price, and the amount deposited. The receipt must be acknowledged in writing by the bidder. If a check is returned because of insufficient

funds or a stop payment order, the State may cancel the sale contract for breach of contract and take appropriate legal action.

- 10. If a successful bidder/purchaser fails to comply with the conditions of this Auction, the State may cancel the bid or sale contract, whereupon the defaulting bidder/purchaser shall forfeit the bid deposit and any other moneys owed/paid to the State together with interest from the date of the Auction. If the parcel is re-offered, the defaulting bidder/purchaser shall be liable for any deficiency there may be between the defaulting bidder's high bid and the final sale price for the parcel when resold, together with any costs or expenses incurred in a resale or attempted resale. The State shall not be liable to the defaulting bidder/purchaser for a final sale price in excess of the defaulting bidder's offer.
- 11. If it is determined that an ineligible bidder is the high bidder, the auctioneer shall, at the auctioneer's discretion: (a) re-offer the parcel or (b) pull the parcel from the auction.
- 12. The Auction will be declared adjourned when the auctioneer determines that the auction procedures have been fulfilled.

INITIAL OVER-THE-COUNTER LOTTERY

Parcels not sold during the Spring 2005 Alaska State Land Auction #441 will be offered for sale, at the minimum bid price, through an Initial OTC Lottery. Occasionally, parcels with an apparent high bidder may become available in the Initial OTC Lottery due to relinquishment or rejection of the bid. A complete list of all parcels to be included in the Initial OTC Lottery will be available at all DNR Public Information Offices as well as online at **www.dnr.state.ak.us /mlw/landsale** on Friday June 17, 2005. If additional bids are relinquished or rejected after June 15, 2005, they will not be included in the Initial OTC Lottery, but will become available at a later date.

All applications must be received by one of the designated DNR Public Information Offices or submitted on-line, no later than 5:00 p.m., Friday, July 15, 2005. Applications received after the designated date and time will not be considered. The lottery will be conducted beginning at 10:00 a.m., Wednesday, July 20, 2005 in the Anchorage DNR Public Information Office, located at 550 West 7th Avenue, Suite 1260, Anchorage, Alaska.

The purchase price in the Initial OTC Lottery is the appraised value, which is the same as the minimum acceptable bid for the Out Cry Auction. Initial OTC Lottery applications may

be made by an agent with power of attorney. An agent may only represent one person per day, in addition to him/herself. The Initial OTC Lottery is <u>not</u> limited to one parcel per person.

Initial Over-The-Counter Lottery Procedures

- Applications will be kept confidential and stored in a safe until the lottery.
- The lottery will begin at 10:00 a.m., Wednesday, July 20, 2005, in the Anchorage DNR Public Information Office, located at 550 West 7th Avenue, Suite 1260, Anchorage, Alaska. Attendance at the auction is not required and will not affect the outcome. Members of the public who attend the Initial OTC Lottery will not be allowed to change or withdraw any applications. The DNR Public Information Offices in Juneau and Fairbanks will have access to the lottery via the internet. For more information during the lottery, log on to www.dnr.state.ak.us/mlw/landsale.
- A drawing will be held to determine the winning applicant for any parcel where multiple applications have been received. The first name drawn for each parcel will be named the winner. If there is only one applicant for a parcel, that applicant is automatically the winner.
- For the Initial OTC Lottery, applicants have the opportunity to purchase multiple parcels. Applicants will win all parcels for which their name is drawn, or when they are the only applicant.
- If the winning applicant subsequently decides not to complete the sale, the five percent deposit, application fee, and all rights to the parcel are forfeited to DNR.
- Following the lottery, a list of winners will be posted at the DNR Public Information Offices and on-line at **www.dnr.state.ak.us/mlw/landsale**.
- Upon completion of the Initial OTC Lottery, all remaining parcels will become available Over-The-Counter at the DNR Public Information Offices on a first-come, first-served basis. Additionally, an Over-The-Counter parcel availability update will be posted for 30 days on-line at www.dnr.state.ak.us/mlw/landsale on a quarterly basis.

INSTRUCTIONS TO APPLICANT

Submitting an Initial Over-The-Counter Lottery Application On-line

To apply for a parcel on-line, go to <u>www.dnr.state.ak.us/mlw/landsale</u> and follow the appropriate link. The on-line application process will ask for a MasterCard or Visa credit card authorization. Your credit card will only be charged on the day of the lottery if your name is drawn for that parcel. See note below regarding availability of funds when using a credit card.

Submitting an Initial Over-The-Counter Lottery Application by Mail or in Person

A complete Initial Over-The-Counter Lottery application package (for mailing or hand delivery) includes the following items:

- A completed Over-The-Counter application form. If applying for multiple parcels, a separate application must be completed for each parcel.
- A completed Declaration of Intent form. If applying for multiple parcels, a separate form must be completed for each parcel.
- A non-refundable \$100.00 document handling fee. If applying for multiple parcels, a separate document handling fee must be included for each parcel.
- A down payment. If applying for multiple parcels, a separate down payment must be included for each parcel.
 - Must be at least five percent (5%) of the purchase price (minimum bid amount from the brochure). DO NOT ROUND DOWN!
 - Must be in the form of a cashiers check, personal check, money order, or Visa/MasterCard payment information and authorization, payable to the Department of Natural Resources. Two-party checks will not be accepted. DO NOT SEND CASH!
 - NOTE: When using the Visa or MasterCard payment options, contact your financial institution to pre-authorize your down payment for the day of the lottery. Some institutions have authorization limits of \$1000 per day regardless of available credit.
 - For successful applicants, the down payment is non-refundable and will be applied to the purchase price.
 - A separate down payment must be included for each application submitted.

Where to Submit Sealed Bids and Initial Over-The-Counter Applications

Mail (sealed bid envelope must be enclosed in a separate envelope for mailing)

Spring 2005 Auction #441 – SEALED BID (*or* IOTC APPLICATION) DNR Financial Services Section 550 West 7th Avenue, Suite 1410 Anchorage, Alaska 99501-3561

Hand Deliver (Do not mail bids or applications to the Public Information Offices)

Any DNR Public Information Office (Anchorage, Fairbanks, Juneau) See "DNR Public Information Offices" section for locations.

Submit On-line

www.dnr.state.ak.us/mlw/landsale

ON-LINE RESOURCES

These websites are listed here as a reference to assist you when researching a parcel, a land region, or certain development restrictions or policies. They may also provide links to appropriate regional offices and phone numbers. This is by no means a complete list of agencies that have authority over all aspects of land ownership and development, but it is a good place to start. Many of these websites are referenced throughout this brochure.

State of Alaska	www.state.ak.us
Alaska Legislature (current statutes, regulations,	www.legis.state.ak.us
etc.)	
Department of Natural Resources	www.dnr.state.ak.us
Division of Mining, Land and Water	www.dnr.state.ak.us/mlw
Alaska State Land Offerings	www.dnr.state.ak.us/mlw/landsale
Division of Mining, Land and Water Factsheets	www.dnr.state.ak.us/mlw/factsht
RS 2477	www.dnr.state.ak.us/mlw/trails/rs2477
Office of Habitat Management and Permitting	www.dnr.state.ak.us/habitat
Office of History and Archaeology	www.dnr.state.ak.us/parks/oha
Water Resources Program	www.dnr.state.ak.us/mlw/water
Division of Forestry	www.dnr.state.ak.us/forestry
Land Records Information (DNR)	www.dnr.state.ak.us/landrecords
Land Records Information (DNR and BLM)	www.landrecords.info
Department of Fish and Game	www.adfg.state.ak.us
Department of Transportation and Public Facilities	www.dot.state.ak.us
Department of Environmental Conservation	www.state.ak.us/dec
Alaska Railroad Corporation	www.alaskarailroad.com
Department of Community and Economic Development	www.dced.state.ak.us
US Government	www.firstgov.gov
Bureau of Land Management Alaska	www.ak.blm.gov
U.S. Fish and Wildlife Service	www.fws.gov
U.S. Army Corps of Engineers	www.usace.army.mil
Firewise	www.firewise.org

State of Alaska, Department of Natural Resources Division of Agriculture/Division of Mining, Land and Water Southcentral Region Land Disposal No Cash Discounts

Tract	Title	Minimum Bid	Total Acres	Well Drained Acres	Complex Soils Acres	Poorly Drained Acres	Reservation	Clearing and Tillage Requirement – within 5 years. Number of Acres
#1	State Patent							
ADL 228782	50-64-0180	\$26,700	94.76	25	70	0	A,B,C,D,E,F,H	6
#2	State Patent							
ADL 228783	50-64-0180	\$25,200	87.81	24	63	1	A,B,C,D,E,F,H	6
#3	State Patent							
ADL 228784	50-64-0180	\$26,100	95.18	6	89	1	B,C,D,E,F	1.5
#4	State Patent							
ADL 228785	50-64-0180	\$28,000	98.8	51	47	1	B,C,D,E,F,G,H	12.5
#5	State Patent							
ADL 228786	50-64-0180	\$36,700	152.53	1	40	111	B,C,D,E,F,H	0
#7	State Patent							
ADL 228788	50-64-0180	\$56,800	229.01	105	0	124	A,B,C,D,E,F,H	26

Reservation Codes

- A. Subject to a 50-foot section line easement.
- 3. Subject to 50-foot public access and utility easement on all interior lot lines where a section line is not present.
- C. A perpetual covenant under AS 38.05.321(a)(1) that restricts or limits the use of the land for agricultural purposes.
-). A perpetual covenant under AS 38.05.321(a) (2) establishing restrictions on further subdivision of these tracts.
- E. Subject to all platted and other valid existing rights and reservations existing at the time of the sale.
- -. Subject to a 50-foot floating easement (no specific location) to allow for the construction of a water drainage structure.
- 3. Subject to a 50-foot pedestrian public access easement to a public water body.
- H. Subject to ADL 413342 a 1000-foot wide Conditional Right-of-Way Lease for the Trans-Alaska Gas System.

Note: Parcels #1 and #2 are located within an identified 10 - year wellhead protection area for the public water supply associated with "Grizzly Pizza". Grizzly Pizza is located at approximately mile 93 of the Richardson Highway. Conservation planning for these parcels must address practices that will be employed to minimize the potential for contamination of the ground and surface water associated with this public water source.

Tonsina North Agricultural Subdivision Soils Information

The following information is from the Soil Survey of Copper River Area, Alaska (interim Report: June 1996). The survey provides an overview of the dominant soil types within the area. It was determined to be accurate enough for the purposes of this sale. More intensive on-site studies will be needed for individual farm planning.

Based on experience in other areas of the Copper River Basin, some of the poorly drained soils have the potential to thaw and drain if properly cleared. On-site work is needed to determine if adequate drainage outlets are present and if there is a risk of large buried ice blocks. The elevation, cool temperatures, and short growing season may limit most agricultural production to hay and pasture.

Units dominated by well-drained soils may contain 10 to 15% inclusions of wet soils.

The complex soil (446), comprised predominantly of well-drained soils, may be difficult to develop due to the irregular pattern of well-drained and somewhat poorly drained soils. It may be difficult to find contiguous areas of well-drained soils that are large enough to be worth developing. However, it is also noted that the Stuck soils are only somewhat poorly drained and if, through a wetland determination, are determined to be non-wetlands or Alaska exempt wetlands, they potentially are soils that should drain well after clearing.

Soils present within the parcels to be sold:

423 – Cryohemists; 0 to 2% slopes, water table 0 to 1 foot, very poorly drained, capability class 8W.

433 – Klawasi; 0 to 2% slopes, water table 1 to 2 feet, poorly drained, capability class 6W.

436 - Klawasi; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W.

438 - Klawasi; 0 to 2% slopes, water table 0 to 1 foot, very poorly drained, capability class 6W.

439 – Gakona; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E.

441 - Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C.

442 - Gakona; 2 to 7% slopes, water table >6 feet, well drained, capability class 4E.

446 – is a Complex soil with: Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C making up 55% of the soils; and Stuck; 0 to 2% slopes, water table >2.5 feet, somewhat poorly drained, capability class 4S making up 30% of the soils.

454 – Mendeltna; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W.

455 – Chetaslina; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E.

Tract 1 - 94.76 acres	25 acres well drained70 acres of complex (55% well drained and 30% somewhat poorly drained)
Tract 2 - 87.81 acres	24 acres well drained63 acres of complex (55% well drained and 30% somewhat poorly drained)1 acre poorly drained
Tract 3 - 95.18 acres	6 acres well drained 89 acres of complex (55% well drained and 30% somewhat poorly drained) 1 acre poorly drained
Tract 4 - 98.8 acres	51 acres well drained47 acres of complex (55% well drained and 30% somewhat poorly drained)1 acre poorly drained
Tract 5 - 152.53 acres	1 acre well drained 40 acres of complex (55% well drained and 30% somewhat poorly drained) 111 acres poorly drained
Tract 7 - 229.01 acres	105 acres well drained 124 acres poorly drained

State of Alaska Department of Natural Resources Division of Agriculture 1800 Glenn Highway, Suite 12 Palmer, Alaska 99645 (907) 745-7200

AUCTION #441

Place of Auction:	Kenny Lake Community Ce Mile 8 Edgerton Highway	nter
Date of Auction:	Saturday June 11, 2005	
Time of Auction:	Bidder Registration Briefing and Auction	2 p.m. 3 p.m.

Subject to A.S. 38.04 and A.S. 38.05, and the regulations implementing those laws, the Director of the Division of Mining, Land and Water or his authorized representative, will offer for sale by public auction to the highest bidder 6 real property parcels located in the Chitina Recording District.

Special Information

At the auction, bidding will begin for each parcel at the appraised fair market value. If the parcel is offered over the counter, it will be offered at fair market value. AS 38.05.940 (veterans' land discounts) do not apply to the sale of agricultural land.

<u>To personally inspect the parcels being offered</u>: Drive to Northwood Avenue at approximately mile 94 of the Richardson Highway. Take Northwood Ave. west to and across the Trans Alaska Pipeline to the end of the road. At this point you will be at the intersection with the main north/south road through the project. This road has been partially cleared, but not yet constructed. See maps and plats to determine the location of specific parcels along this road.



The picture below shows Northwood Ave. at the Pipeline crossing.



The picture above shows the cleared N/S road "Harris's Way" at the intersection with Northwood Ave. STATE OF ALASKA DIVISION OF LAND Tract 1 – Tonsina North \$26,700 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 1 of ASLS 2002-32 (Tonsina North Subdivision)
Land	94.76 acres 25 acres well drained 70 acres of complex (55% well drained and 30% somewhat poorly drained)
Soils	 423 – Cryohemists; 0 to 2% slopes, water table 0 to 1 foot, very poorly drained, capability class 8W 441 - Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C 446 – is a Complex soil with: Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C making up 55% of the soils; and Stuck; 0 to 2% slopes, water table >2.5 feet, somewhat poorly drained, capability class 4S making up 30% of the soils.

Improvements	None
Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public	c recreation, wildlife habitat
Noted Conditions	The Division of Forestry previously sold the right to remove 8" DBH or larger live spruce trees and 5" DBH or larger standing dead spruce.
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)

STATE OF ALASKA DIVISION OF LAND Tract 2 – Tonsina North \$25,200 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 2 of ASLS 2002-32 (Tonsina North Subdivision)
Land	87.81 acres 24 acres well drained 63 acres complex (55% well drained and 30% somewhat poorly drained) 1 acre poorly drained
Soils	 423 - Cryohemists; 0 to 2% slopes, water table 0 to 1 foot, very poorly drained, capability class 8W 442 - Gakona; 2 to 7% slopes, water table >6 feet, well drained, capability class 4E. 446 - is a Complex soil with: Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C making up 55% of the soils; and

	Stuck; 0 to 2% slopes, water table >2.5 feet, somewhat poorly drained, capability class 4S making up 30% of the soils.
Improvements	None
Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public	c recreation, wildlife habitat
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)

STATE OF ALASKA DIVISION OF LAND Tract 3 – Tonsina North \$26,100 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 3 of ASLS 2002-32 (Tonsina North Subdivision)
Land	95.18 acres 6 acres well drained 89 acres of complex (55% well drained and 30% somewhat poorly drained) 1 acres poorly drained
Soils	 436 - Klawasi; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W. 439 - Gakona; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E.
Improvements	None

Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public	c recreation, wildlife habitat
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)

STATE OF ALASKA DIVISION OF LAND Tract 4 – Tonsina North \$28,000 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 4 of ASLS 2002-32 (Tonsina North Subdivision)
Land	98.8 acres 51 acres well drained 47 acres of complex (55% well drained and 30% somewhat poorly drained) 1 acre poorly drained
Soils	 439 - Gakona; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E. 446 - is a Complex soil with: Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C making up 55% of the soils; and Stuck; 0 to 2% slopes, water table >2.5 feet, somewhat poorly drained, capability class 4S making up 30% of the soils.

Improvements	None
Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public	c recreation, wildlife habitat
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)

STATE OF ALASKA DIVISION OF LAND Tract 5 – Tonsina North \$36,700 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 5 of ASLS 2002-32 (Tonsina North Subdivision)
Land	152.53 acres 1 acre well drained 40 acres complex (55% well drained and 30% somewhat poorly drained) 111 acres poorly drained
Soils	446 – is a Complex soil with: Gakona; 0 to 2% slopes, water table >6 feet, well drained, capability class 4C making up 55% of the soils; and Stuck; 0 to 2% slopes, water table >2.5 feet, somewhat poorly drained, capability class 4S making up 30% of the soils.

	454 – Mendeltna; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W.
Improvements	None
Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public recreation, wildlife habitat	
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)

STATE OF ALASKA DIVISION OF LAND Tract 7 - Tonsina North \$56,800 MINIMUM BID

Title Quality	State patent (Fee title subject to Agricultural Covenants) This property is patented to the State.
Legal Description	Tract 7 of ASLS 2002-32 (Tonsina North Subdivision)
Land	229.01 acres 105 acres well drained 124 acres poorly drained
Soils	 436 - Klawasi; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W. 439 - Gakona; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E. 454 - Mendeltna; 0 to 7% slopes, water table 1 to 2 feet, poorly drained, capability class 6W. 455 - Chetaslina; 0 to 7% slopes, water table >6 feet, well drained, capability class 4E.

Improvements	None
Access	Existing gravel road from the Richardson Highway into the project and grubbed out R/W (not constructed) accessing the parcel. (See project map.)
Present Use Public	c recreation, wildlife habitat
Financing Terms	20 years maximum, 5% down, the interest rate will be prime rate plus 3 percent.
Inspection Contact	Kenny Lake Soil and Water Conservation District – 822-4484 (Doug Volman)
Information	Division of Agriculture – Palmer (761-3863 - Steve Trickett)



The parcel boundaries shown on this map are not as accurate as the survey plat information. They are for general information purposes only.







The TAGS Right-of-Way lease is represented by the dashed line that crosses into the project area within section 17 and then proceeds south through the southern portion of the subdivision. The dashed line, as near as possible, represents the centerline as described in the R/W lease document. The R/W lease was issued to be 1000 feet wide.

There has been an application to move TAGS into the adjacent corridor to the east, however, that application has not been adjudicated and may or may not be approved.