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

PRELIMINARY DECISION

Granite Mountain Remote Recreational Cabin Sites ADL 231543

Proposed Land Offering in the Unorganized Borough AS 38.05.035 (e), AS 38.05.045, AS 38.05.600

RELATED ACTIONS:

Proposed Amendment to the Kuskokwim Area Plan AS 38.04.065 Proposed Land Classification Order AS 38.04.065 and AS 38.05.300 Proposed Mineral Order (Closing) AS 38.05.185 and AS 38.05.300

PUBLIC COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 11, 2017

I. Proposed Actions

Preliminary Decision: Granite Mountain Remote Recreational Cabin Sites - ADL 231543
 Attachment A: Vicinity Map
 Attachment B: Area Data Summary Table
 Attachment C: Public Notice
 Public is also invited to comment on the proposed related actions:
 Draft Amendment to the Kuskokwim Area Plan SC-88-001A20

Draft Land Classification Order CL SC-88-001A20 Draft Mineral Order No. 1173 (Closing)

<u>Primary Proposed Action</u>: The primary proposed action of this Preliminary Decision of the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Land Sales Section (LSS) is to offer up to 40 parcels ranging from 5 to 20 acres in this project area, for a maximum of 800 acres of State-owned land within the identified project area.

Located within DNR's Southcentral Region along the Kuskokwim River approximately 50 air miles southwest of McGrath and 38 air miles northeast of Stony River, the project area is within portions of 5 townships of the Seward Meridian, within the Unorganized Borough. The project area encompasses approximately 25,800 acres. See *Attachment A:* Vicinity Map for a depiction of the project area.

In accordance with the governing area plan and proposed related actions, for the purpose of providing land for settlement, DNR proposes to sell land within the Granite Mountain Remote Recreational Cabin Sites (RRCS) project area. In order to offer these lands for

sale, if approved and deemed feasible, DNR may offer authorizations to stake up to 40 parcels ranging from 5 to 20 acres in this project area, for a maximum of 800 acres sold through this offering under *AS 38.05.600 Remote Recreational Cabin Sites*. Authorizations will be awarded by drawing. When so authorized, entrants may stake a parcel within a defined staking area, lease the staked parcel during the survey, platting, and appraisal process, and convert the lease to a sale at a purchase price established by the appraised value, plus associated fees. Although the total disposal authorized under this proposal will not exceed the stated maximums, the development and offering of the project area may be completed in multiple stages. This proposed project area is located within the Unorganized Borough and therefore survey, platting, and access to and within the project area will be subject to the relevant subdivision standards.

After the staking period closes, DMLW may also identify and survey additional parcels in a staking area known as administrative parcels. Administrative parcels are not restricted to the size requirement for staked parcels. Parcels that are staked but later relinquished, terminated, or expired before converting to sale, and parcels administratively created by DMLW, will be offered at public auction or by another method under *AS* 38.05.045 *Generally*. The total number of acres and total number of parcels will not exceed the maximum number specified for sale by this proposal.

If this proposed primary action is approved, the actual staking area may consist of all or only a portion of the overall project area. After consideration of public comment, the size and boundaries of the staking area will be described in a subsequent Final Finding and Decision, if the project proceeds to that step. Additional adjustments may be made up to or throughout the staking period, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with platting requirements. Although actions under this proposal are limited to the stated maximums, additional offerings may be authorized under future proposals, which could increase the density of privately-owned parcels within or near the project area.

<u>Proposed Related Actions</u>: These related actions will be developed separately; however, public notice is being conducted concurrently.

Area Plan Amendment: DNR proposes to amend the Kuskokwim Area Plan (KUAP), adopted 1988. The amendment will change the designation of Subunit 5h from Resource Management to Settlement. The amendment will also modify the management intent for the area to specify the subunit is appropriate for disposal. This amendment is necessary to allow for land disposal within Subunit 5h. The management intent for Subunit 5g will be amended to remove the 50-foot building setback from wetlands. Refer to the <u>Planning and Classification</u> subsection of this document for more information on this proposed related action.

Land Classification Order. In relation to the Area Plan Amendment, DNR proposes to reclassify a portion of the project area in a Land Classification Order from Resource Management to Settlement. Refer to the <u>Planning and Classification</u> subsection of this document for more information on this proposed related action.

Mineral Order (Closing): DNR proposes a mineral order to close the project area to new mineral entry. Those portions of MCO 435 that currently close parts of the project area

will be rescinded, and the entire project area will be closed to new mineral entry under a single new mineral order. There are no known active mineral claims within the project area. Refer to the <u>Reservation of Mineral Estate</u> subsection of this document for more information on this proposed related action.

These related actions will be developed separately. However, approval of the proposed actions is dependent upon one another in that one action will not proceed without approval of all actions.

<u>Public Notice of Proposal</u>: In accordance with *AS 38.05.945 Notice*, during a period of at least 30 consecutive days, the public will have the opportunity to submit written comment on this proposal and related actions. Public notice for all actions is being conducted concurrently.

See **Section VIII. Submittal of Public Comments** at the end of this document and *Attachment C:* Public Notice for details on how to submit a comment for consideration. If, after consideration of timely, written comments, DNR moves forward with the proposal, a Final Finding and Decision will be issued.

II. Method of Sale

AS 38.05.600 Remote Recreational Cabin Sites authorizes the Department to conduct leasing and sale of land for Remote Recreational Cabin Sites. 11 AAC 67.800 - 11 AAC 67.845 Remote Recreational Cabin Sites and other related regulations describe how DMLW offers authorizations to select and stake Remote Recreational Cabin Sites in designated areas during the specified offering period.

After approval of a Remote Recreational Cabin Sites disposal through a Best Interest Finding process such as this, DMLW plans a future announcement of an offering of staking authorizations and the availability of offering brochures pursuant to AS 38.05.945 Notice. The brochures generally describe simultaneous offerings of multiple areas; the relevant application period; and the related procedures, conditions, and eligibility requirements. Participants submit applications and DMLW conducts a drawing, a method of sale that offers all eligible parties an equal chance at acquiring a staking authorization for an area. Authorizations to stake a parcel of State-owned land within a designated project area during a specified period are awarded to applicants drawn first. Authorized stakers are then issued a staking packet that includes instructions for properly staking a parcel and other information pertaining to the program and specific staking area. Authorized stakers then enter onto the land, stake a parcel of their choice in compliance with the staking instructions, and file a lease application. If approved, a shortterm lease is issued and the lessee makes quarterly, prorated payments to cover associated development costs and an annual lease fee. While under lease, the parcel is then surveyed, platted, and appraised, typically over a three- to four-year period. Upon successful completion of the lease terms and upon completion of the survey, platting, and appraisal, the lessee is given the option to convert from lease to sale at a purchase price based on the appraised value, plus associated fees, with credits given for the survey and platting deposits collected while the parcel is under lease. The lessee's other option is to renew the lease for a second term at the cost listed in regulation, which does not contribute to paying down the purchase price. A lessee in good standing can opt to purchase the parcel at any time during this optional renewal term, but if the lessee does not purchase the parcel by the time the renewed lease term expires, their interest expires.

After the staking period closes and lease applications have been received from authorized stakers, DMLW may identify and survey additional administrative parcels in a project area. Additionally, DMLW may opt to complete the survey on staked parcels relinquished, terminated, or expired before converting to sale. Such administrative parcels would generally be surveyed for future offering under *AS* 38.05.045 Generally. Although administrative parcels are not restricted to the size requirements stated for staked parcels, the total number of acres and parcels will not exceed the maximum number specified for disposal under this proposal.

Offering administrative parcels under *AS 38.05.045 Generally* allows DMLW to offer its surveyed parcels under a uniform set of statutes, administrative regulations, and policies, usually in a statewide offering of varied parcels to increase administrative efficiencies and improve the effectiveness of marketing efforts. Successful buyers may purchase the properties by highest sealed bid or by application at prices based on their appraised value. Appraised values account for the benefits of the surveying and platting. Without the inclusion of this additional method of sale in this proposal, sales of parcels initially developed under *AS 38.05.600 Remote Recreational Cabin Sites* and *11 AAC 67.815 (b) Offering Remote Recreational Cabin Sites* would require purchasers to reimburse DMLW for the cost of surveying, platting, and appraising the site within 30 days of being notified of a successful purchase, in addition to the usual minimum down payment. That is to say, that the State would not finance the reimbursable survey, platting, and appraisal costs. To maintain this requirement without allowing for the differing method of sale of subdivided parcels under *AS 38.05.045* would create an unrealistic burden upon purchasers, hinder the marketability of the property, create confusion with the public, and be an inefficient use of staff time and resources.

Parcels offered through this action are offered fee-simple for the surface estate only. For more information about the land sales program, please visit the website at http://landsales.alaska.gov.

III. Authority

DNR has the authority under AS 38.05.600 Remote Recreational Cabin Sites and AS 38.05.045 Generally to sell State-owned land if, on preparation and issuance of a written finding, it is determined to be in the best interest of the State, as required by AS 38.05.035(e) Powers and Duties of the Director. Article VIII, Section 1, of the Constitution of the State of Alaska states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." In addition to AS 38.05.600 Remote Recreational Cabin Sites, 11 AAC 67.805 Designating Areas for Remote Recreational Cabin Sites, and 11 AAC 67.815 Offering Remote Recreational Cabin Sites apply.

For related actions, AS 38.04.065 Land Use Planning and Classification, AS 38.05.300 Classification of Land, and AS 38.05.185 Generally allow for amendments to area plans, land classification orders, and mineral orders.

DMLW is in process of updating regulations pertaining to the Remote Recreational Cabin Sites program. If the applicable regulations change prior to the offering of this proposed project, the new regulations will apply.

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IV. Administrative Record

The project file, Granite Mountain Remote Recreational Cabin Sites - ADL 231543, constitutes the administrative record for this proposed action. Also incorporated by reference are:

- *Kuskokwim Area Plan for State Lands* (KUAP) adopted 1988 and associated land classification files;
- Alaska Interagency Wildland Fire Management Plan (2016);
- Alaska Department of Fish and Game Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes; and
- 1979 Exploratory Soil Survey of Alaska.

V. Scope of the Proposal

The scope of this proposal, under the statutes and regulations described in the preceding **Section III. Authority**, is limited and specific to DNR DMLW's proposal to offer State-owned land within the defined project area for disposal, and to approve the proposed plan amendment, land classification order, and mineral order as described herein. The scope of this proposal does not include the control of post-patent use and DNR DMLW does not intend to impose deed restrictions for this purpose. The development and offering of the project area may be completed in multiple stages

VI. Description

<u>Location</u>: within DNR's Southcentral Region along the Kuskokwim River approximately 50 air miles southwest of McGrath and 38 air miles northeast of Stony River, the project area is within portions of 5 townships of the Seward Meridian, within the Unorganized Borough (see Legal Description below). See *Attachment A:* Vicinity Map and *Attachment B:* Area Data Summary Table for additional information.

Platting Authority: The project area is within the Unorganized Borough and is subject to the State of Alaska platting authority.

Native Regional and Village Corporations: The project area is within the boundaries of Doyon Limited regional corporation. There are no villages located within 25 miles of the project boundary; however, courtesy notification will be distributed to Doyon Limited; Region Villages of McGrath, Takotna, Nikolai, and Telida (MTNT); and to Calista Corporation and Region Villages of Stony River, Sleetmute, Red Devil, and Georgetown. Additionally, pursuant to KUAP Appendix B, public notice will be sent to: McGrath City Council; Tanana Chiefs Conference; Kuskokwim Native Association; Cook Inlet Region, Inc.

<u>Legal Description</u>: The Granite Mountain RRCS project area, depicted in <u>Attachment A</u>: Vicinity Map, encompasses approximately 25,800 acres with the Kuskokwim Recording District, Fourth Judicial District, Alaska:

- Township 25 North, Range 37 West, Seward Meridian
 - Section 6 west of the Kuskokwim River and excluding USS 8024 (if any);
- Township 25 North, Range 38 West, Seward Meridian
 - Section 1 excluding USS 8024 (if any); and
 - Sections 2-3 all;

- Township 26 North, Range 37 West, Seward Meridian
 - Section 10 N¹/₂;
 - Section 11 excluding the $E\frac{1}{2}E\frac{1}{2}NE\frac{1}{4}$ and $E\frac{1}{2}NE\frac{1}{4}SE\frac{1}{4}$;
 - Section 12 excluding that portion of the W¹/₂ north of the unnamed creek;
 - \circ Section 15 excluding the SE¼ and E½E½SW¼;
 - Section 16 excluding SW¼NW¼ and NW¼SW¼;
 - \circ Section 17 excluding SE¹/₄NE¹/₄ and NE¹/₄SE¹/₄;
 - Section 20 excluding NE¼ west of the Kuskokwim River;
 - Section 31 excluding USS 8024; and
 - Sections 1-3, 7-9, 13, 14, 18, 19, 21-24, 27-30, and 32-34 all.
- Township 26 North, Range 38 West, Seward Meridian
 - Section 36 excluding USS 8024; and
 - Sections 25-28 and 33-35 all.
- Township 27 North, Range 37 West, Seward Meridian
 - Section 27 east of the Kuskokwim river excluding USS 8054 if any;
 - Section 34 east of the Kuskokwim river excluding USS 8054 if any;
 - Section 35 east of the Kuskokwim river excluding USS 8054 if any; and
 - Sections 25, 26 and 36 all;

Excluding the Kuskokwim River and its islands.

<u>Title</u>: Information from Title Report Nos. 7298, 7299, 7300, 7301, and 7302, current as of 2/17/2015 indicates the State of Alaska holds tentative approval to the land and mineral estate within the project area under Tentative Approvals, dated 6/22/1982, 6/22/1982, 3/30/1992, 6/22/1982, and 4/27/1992 respectively. The applicable State case files are Realty Services file numbers GS: 2905, 2906, 2909, 2910, and 2915 respectively. The project area is subject to restrictions under TA and will be subject to the reservations, easements and exceptions contained in the federal patent(s) when issued or other state or federal conveyance, and in acts authorizing the issue thereof, easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record.

State Reservations of Title:

Retention of and Access to Mineral Estate: In accordance with Section 6 (i) of the Alaska Statehood Act and AS 38.05.125 Reservation, the State retains ownership of the mineral estate that may be in or upon the land that it sells. This retention is for all minerals, including both locatable minerals (such as gold, copper and silver, etc.), and leasable minerals (such as oil, gas, coal, etc.).

The State and its successors reserve the right to enter onto the land for the purposes of exploring for, developing, and producing these reserved mineral resources. Access reserved to these retained interests is superior to any and all surface uses. The State may also lease these retained interests to mineral developers or allow mining locations to be staked. However, *AS* 38.05.130 Damages and Posting of Bond also provides that the land estate owner will be compensated for damages resulting from mineral exploration and development.

Navigable Waters: Per AS 38.05.126 (b) Navigable and Public Waters, "...the State has full power and control of all of the navigable or public water of the state, both meandered and unmeandered, and the State holds and controls all navigable or public water in trust

for the use of the people of the state." This trust is in accordance with the principles of the Public Trust Doctrine, which are included in Article VIII, Section 14 of the Constitution of the State of Alaska and protected in the United States Constitution. It is vested in the title to this land, is not transferable, and the State's title to submerged lands under navigable waters cannot be relinquished by a transfer of the property. In holding with this concept, navigability determinations are made and access will be reserved per *AS 38.05.127 Access To and Along Public and Navigable Water*. For more information, see Access To, Within, and Beyond Project Area subsection of this document.

The Bureau of Land Management has made a navigability determination for waters within the affected townships for title purposes. Per the Tentative Approval dated 6/22/1982 the Kuskokwim River and the Nunsatuk River have been determined navigable water bodies within the project area.

Where they exist within the project area, private parcels and State third-party interests will be described in land sales brochures and information included in staking packets distributed to authorized stakers.

<u>Physical Characteristics and Hazards</u>: *Attachment B*: Area Data Summary Table summarizes the project area's physical characteristics. Information about the project area is based on internal research, information received during agency review, and aerial field inspection conducted on June 15, 2015. This is by no means a complete description of the project area and if this proposal is approved and the area offered for sale, it will be the responsibility of interested parties to inspect the project area prior to staking to familiarize themselves with the physical characteristics of the land.

Soils: The USDA, Soil Conservation Service 1979 Exploratory Soil Survey of Alaska provided the following data. Uplands are characterized with Histic Pergelic Cryaquepts-Typic Cryothods, loamy, hilly to steep soils; the river flood zone has Histic Pergelic Crysquepts-Typic Cryofluvents, loamy, nearly level soils. The moderately steep nonglaciated landscape is dominated by rounded hills and bluffs separated by sloping valleys ranging from 300 to 1,500 feet elevation. A mantle of silty loess derived from nearby flood plains covers most of the uplands, and thick deposits of colluvial sediment have accumulated in valleys and on foot slopes. Soils on south-facing slopes are mostly well drained and have no permafrost. Poorly drained soils with permafrost occur on steep north-facing slopes and most lower slopes. Slightly elevated natural levees are found throughout the river flood plain; due to channel meandering and wandering they may be adjacent to the present water course or up to miles away. These natural levees commonly are suitable for growing small grains, forage crops, and hardy vegetables.

Wetlands: Tundra-type conditions can be wet even on locations with sloping land. The flat river flood plain has expanses of wetlands, mostly along the east Kuskokwim River side. Several narrow, shallow lakes or ponds can be found associated with such locations. Stakers are encouraged to avoid wetland areas in locating their parcels. Given the large size of the project area, the impact to wetland areas will be minimized by limiting the number of staking authorizations and the number of acres to be staked to a small fraction of the over-all project area (3%).

Geologic Hazards: Geologic hazards are common throughout Alaska. Information received from DGGS and information gathered during field inspection did not indicate any specific geologic hazards for this area. Large and small watersheds may be susceptible to seasonal or random flooding or erosion especially adjacent to the Kuskokwim River and its main branches. Discontinuous, ice-rich permafrost may underlie certain locations such as on north facing slopes or poorly drained soils along the river. Some terrain of nearby hills or mountains may present avalanche or landslide threats. Should any geologic hazards be discovered in the development of this proposal, information will be included in offering materials.

Fire Hazards: Pursuant to observations from the June 15, 2015 field inspection and information received from the Division of Forestry (DOF), fire risk in the area is likely seasonally moderate to high. DOF Fire History map indicated no recent wildfires within the project boundaries since year 2000 and after except for old burn margin possibly encroaching from the southeast.

Potential for wild land fire can be high in this part of the state. Offering materials encourage stakers to locate parcels within hardwood stands or near water sources to help mitigate fire risk. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. Offering materials include information regarding wild land fire prevention.

Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from DNR DOF. The fire management option for areas adjacent to the Kuskokwim and Nunsatuk Rivers is "Full." The remaining portion of the project area is within a "Limited" option boundary. Operational Guidelines regarding the Full Fire Management Option state, "Wildfires occurring in the Full Management option are assigned a high priority for suppression actions and assignment of available firefighting resources, but are below wildfires within or threatening a Critical Management option area or site." Operational Guidelines regarding the Limited Fire Management Option state, "Limited Management option fires are assigned the lowest resource allocation priority." The plan also states that there is no guarantee of protection from wildfire in any management option, that response to a wildfire will be based on various factors, and that "Ultimately it is the responsibility of the [landowner] to mitigate and minimize risk to their property before it becomes threatened by a wildfire."

Flood Hazard: There is no Flood Insurance Rate Map available for the project area. Areas in floodplains adjacent to rivers and streams, particularly along Kuskokwim River, are likely to be subject to erosion and seasonal flooding.

Water Resources: All surface and subsurface waters on all lands in Alaska are a public resource, subject to appropriation in accordance with the Alaska Water Use Act (*AS 46.15*). No water rights have been identified within the vicinity of the project area. There is no well or water quality information within the area. Water quality is unknown.

<u>Background</u>: The proposed project area is surrounded by other state lands. There have been no prior state land sales within this project area. The project area was identified based

on a review of potential settlement lands in the area, and the management intent in the KUAP.

There are two 80-acre private parcels in or near the project location: US Survey 8024 near the junction of the Kuskokwim and Nunsatuk Rivers and US Survey 8054 near the project boundary along the Kuskokwim River in Township 27 North, Range 37 West. No trespass, unauthorized improvements, or State third-party interests have been identified within the proposed project area. Information from the area plan, agency review, and public scoping indicated that the project area is used for hunting, fishing and trapping. River corridors and perhaps surrounding uplands are traditional transportation routes that may have provided support or recreational uses as well.

June 15, 2015 field observations suggested that the proposed remote recreational cabin sites offering would be appropriate for the large area. The area has very good access potential by water craft and/or aircraft as well as by overland travel in the winter season. The large project area will accommodate the limited number of authorizations with minimal impact to state land.

A public Scoping Meeting was held in McGrath June 15-16, 2015. Those attending expressed that possible burial sites, historically important sites, and major access points, such as major stream confluences, should be withheld from staking, and should be reserved in state ownership to protect public access and interests. Offering materials and staking instructions will describe specific setbacks, easements, and reserved areas identified to protect such historical or environmentally sensitive areas and public access. After the public Scoping meeting, DMLW made contact with local Native leadership in Stony River and further considered OHA feedback. As a result of additional information regarding potentially sensitive sites, and areas of traditional and current use and access, the project boundary was modified to preclude staking in those areas, and the staking setback from the Kuskokwim River was increased to 200 feet.

<u>Planning and Classification</u>: The general management intent of the area plan, management unit, and subunits was reviewed for consistency with the proposed offering. The project area is within the Kuskokwim Area Plan (KUAP), adopted May 1988, Management Unit 5 -Kuskokwim River, Subunits 5g and 5h. Land within subunit 5g is designated Settlement for Primary Surface Uses and subunit 5h is designated Resource management for Primary Surface Uses. Land within subunit 5g is classified Settlement, and land within subunit 5h is classified Resource Management under Land Classification Order No.CL SC-88-001A05. The project area is located within these two management units.

KUAP specifies additional entities to be sent public notice. Those entities listed in Appendix B of KUAP for Management Unit 5 will be sent public notice.

Unit and subunit Considerations: Management Unit 5: Kuskokwim River, Management Intent states that the general management intent for lands along the rivers is to provide opportunities for private land acquisition and to protect public uses of state lands. These lands are some of the most accessible state lands in the Kuskokwim basin, with the highest settlement suitability, forest potential, and habitat value. Management intent for this unit also provides that lands proposed for disposal will be closed to mineral entry before they are offered for sale. Management Intent for subunit 5g – Nunsatuk North: When the KUAP was adopted, the majority of this subunit was State Selected land. The state now holds Tentative Approval to these lands. Management intent states that if these selections are conveyed to the state, approximately 4,600 acres of land will be offered for private ownership. Management Intent also notes that two possible archaeological sites exist within subunit 5g, and land offerings will be designed to avoid disturbance of these sites. Management guidelines pertaining to Subunit 5g provide that a 100-foot corridor will be retained in public ownership on each side of the Kuskokwim River. Pursuant to public and agency comment, the 100-foot corridor has been increased to a 200-foot staking setback on each side of the Kuskokwim River.

Management intent for Subunit 5g also states that staking will be allowed up to wetlands but there will be a 50-foot building setback from the wetlands. LSS recommends the removal of the 50-foot setback from wetlands as it presents an unrealistic requirement for enforcement in such a remote area as well as additional expense in wetlands delineation and extra survey work. The dispersed, low-density settlement should not pose a risk to water quality or other values. The removal of the 50-foot setback is part of the plan amendment. See <u>Area Plan Amendment</u> subsection below.

KUAP also states that outhouses, septic tanks, and other waste-disposal facilities must meet DEC guidelines, including a 100-foot setback from wetlands and water bodies. LSS already recommends this in its offering material. Additionally, offering materials and staking instructions, including workshops and printed guidance, will encourage staking outside of obvious wetlands.

Management Intent for subunit 5h – Nunsatuk River: It states that the Nunsatuk subunit has high potential for settlement and good river access. This subunit is also intensively used by residents of Stony River and downriver communities for trapping and hunting. A possible archaeological site exists in this subunit. The management intent provides that because of the high level of public use, this land will be kept in public ownership in the near term and managed for general use, and that this parcel will be reevaluated when the plan is updated to determine whether it should be kept in public ownership or offered for sale. This subunit contains approximately 750 acres that could be offered for sale. DMLW has determine that it would be appropriate at this time to offer for sale Subunit 5h by combining it with Subunit 5g which is designated and classified Settlement. Management intent for Subunit 5g will become the management intent for Subunit 5h, along with the proposed removal of the 50-foot building setback as noted above. OHA has reviewed this area regarding the possible archaeological site mentioned. Also see subsection *Settlement* below.

Management Intent allows for up to 5,350 acres to be sold between these two management units. This potential acreage to be sold is approximately 18% of the total acreage of the two management units. For the Granite Mountain RRCS project, LSS proposes to offer up to 800 acres, less than 3% of the total acreage.

Area-wide Considerations: DMLW reviewed the area plan's guidelines in Chapter 2 Areawide Land Management Policies, particularly regarding Cultural Resources, Fish and Wildlife Habitat; Public Access; Settlement; Stream Corridors and Instream Flow; Subsurface Resources; Trail Management; and Wetlands Management. These considerations will be incorporated into the design and development of the project. Lands to be retained in public ownership, conditions, and reservations will be included on the plat and in offering materials as appropriate. Specific area-wide management intent and management guidelines affecting this proposal are discussed below.

<u>Cultural Resources</u>: Management guidelines provide that where feasible and prudent, DNR will conduct cultural resource surveys or inventories prior to land offerings in areas in which the Office of History and Archaeology (OHA) determines have a high potential to contain important cultural sites, and for which existing information is inadequate to identify and protect those sites. DMLW has consulted with area residents, Native leadership, and OHA in the development of this proposal. OHA has reviewed the proposed project area, and has identified areas with a high potential to contain important cultural sites. DMLW has excluded these areas from the project area.

<u>Fish and Wildlife Habitat</u>: Management guidelines are primarily applicable to areas designated Fish and Wildlife Habitat. Management intent provides that actions requiring notice under *AS 38.05.945* will recognize the extra time it takes mail to reach people in rural Alaska, and provides additional guidance regarding contacting local organizations listed in Appendix B. All land use activities will be conducted with appropriate planning and implementation to avoid or minimize adverse effects on fish and wildlife or their habitats. The Land Allocation Summary notes that all lands, including lands in disposal areas serve as fish or wildlife habitat and harvest areas to some degree. It also stated that in areas identified for land offerings, buffers are required along streams and wetlands, including staking setbacks along streams that support anadromous fish. The Alaska Department of Fish and Game was consulted during Agency Review for this proposed project, and their input has been considered in the development of this proposal. DMLW will impose staking setbacks from the Kuskokwim and Nunsatuk Rivers. Pursuant to area plan guideline, Public Notice will allow for a longer than typical comment period

<u>Public Access</u>: Management guidelines provide that DNR should improve or maintain public access to areas with significant public resource values by retaining access sites and corridors in public ownership, by reserving rights of access when state land is sold or leased, by acquiring access, establishing easements, or by asserting rights-of-way through Revised Statute (RS) 2477. Management guidelines also note that generally, section-line easements should not be vacated. DMLW will retain public access by establishing buffers, set back requirements, and excluding areas from staking. These reservations will allow for public use and staging sites, mainly along river and stream junctions. The limited number and size of authorizations to stake, along with platted public access easements associated with staked parcels, will also assure that public access and generally allowed uses on state lands will be minimally impacted. No RS 2477 trails have been identified within the project area. No section-line easements are proposed to be vacated.

Settlement: Management Guidelines regarding Planning and Coordination; Types of Offerings; Protection, Management, and Enhancement of Other Resources; Design; and Other Guidelines Affecting Settlement, have been reviewed and considered in the development of this proposed land sale offering. Planning and coordination has included early outreach to the public and to state agencies in addition to public notice. Due to the remote location of the offering, limited amount of land that will be eligible for disposal with this proposal, limited accessibility to public communications, budget limitations, and feedback from the scoping meeting in 2015, it is the opinion of the DMLW Director that a local design review board will not be established for this proposal. No local government entities are found within the immediate vicinity of this project. The Land Allocation Summary describes that five areas within the KUAP (including Subunit 5h) which have been designated Resource Management have some of the highest potential for settlement of any state land within the planning area. The plan notes that these areas will be kept in state public ownership in the near term, and that when the plan is updated (approximately every five years), they will be reevaluated to determine if they should be offered for sale. Subunit 5h is listed as a Resource Management Area with 750 net acres (conveyable acres) identified for settlement. The KUAP has not been updated since it was adopted in 1988, and is not currently scheduled to be updated. DNR proposes an Area Plan Amendment and Land Classification Order to designate and classify subunit 5h Settlement for the purpose of this proposed offering.

<u>Stream Corridors and Instream Flow</u>: Management guidelines provide for the retention of state-owned buffers along stream corridors, and for the protection of access along stream corridors. Management guidelines for stream corridors have been considered and utilized in the development of this proposal. There will be a 200-foot staking setback from OHW of the Kuskokwim River and a 100-foot staking setback from OHW of the Nunsatuk River.

Management guidelines also require a100-foot building set back adjacent to streams. DMLW has determined that unless the stream is anadromous, public or navigable, a building setback from the stream is unnecessary because its removal does not pose a risk to water quality or other values. Refer to the <u>Easements, Setbacks, and</u> <u>Reserved Areas</u> section for more information.

<u>Subsurface Resources</u>: Management guidelines describe that DNR generally finds mining to be incompatible with land sales. This section provides specific management guidelines pertaining to Homesteading areas. These guidelines will also pertain to this RRCS project area. In the event that a significant portion of the allotted 40 parcels are not staked in this offering, this area may be reoffered in the future. The mineral order to close will remain in place until after any reoffers are completed, or it is determined that the area will not be reoffered.

<u>Trail Management</u>: Management guidelines provide that before public land is sold, trails that warrant consideration for protection should be identified. Additionally, DMLW will consult with other divisions, agencies, and individuals to identify trails. No trails have been identified within the project area. DMLW consulted with other agencies and the public, and no facts regarding existing trails were received.

However, DMLW has allowed for public access and staging areas by reserving areas in state ownership.

<u>Wetlands Management</u>: Management guidelines define Class I wetlands as wetlands with a locatable stream outlet and Class II wetlands as wetlands without a stream outlet. The project area has several sizeable patches of wetlands found almost exclusively east of the Kuskokwim River.

Class I wetlands will be identified by aerial imagery, will be reserved from staking, and will be shown on the staking map. In the event that a staker stakes within this reserve area and can prove that their staked land is uplands, their lease application will be accepted and a waiver issued for staking within the reserved area. If survey field work confirms the presence of Class I wetlands within the staked parcel, that portion of the parcel that is wetlands will be excised off the parcel at time of survey. Due to the remoteness of the project area and a maximum of 3% of total acreage to be conveyed, DMLW has determined that the retention of a 100-foot strip of land adjacent to Class I wetlands is unnecessary because its removal does not pose a risk to water quality or other values.

Class II wetlands abound throughout the entire project area. In accordance with KUAP, parcels that include less than 5 acres of Class II wetlands may be sold.

Offering brochures and staking instructions will describe wetlands reservations and the need for permits for use of wetlands.

The proposed offering will be consistent with area-wide land management policies and general management intent of the KUAP and specific management units if the proposed area plan amendment, land classification order, and mineral order are approved in accordance with AS 38.04.065 Land Use Planning and Classification, AS 38.05.300 Classification of Land, and AS 38.05.185 Generally. A portion of the project area is currently designated Resource Management and classification Order prior to disposal.

AS 38.04.065 (b) Requirements: The factors identified in this section of statute have been considered in this plan amendment, and the proposed action is consistent with that portion of statute.

Area Plan Amendment: DNR proposes to amend the designation of Subunit 5h from Resource Management to Settlement. This is consistent with Subunit 5h management guidelines, which provides that the subunit will be reevaluated for Settlement designation when the plan is updated. The management intent for Subunit 5g will become the management intent for Subunit 5h, along with the proposed removal of the 50-foot building setback from wetlands. The KUAP was adopted in 1988 and is in need of updating. There are no current plans for an update, hence the related plan amendment is necessary.

Land Classification Order: In relation to the proposed Area Plan Amendment, DNR proposes to reclassify Subunit 5h from Resource Management to Settlement.

Mineral Activity and Order(s):

No current mineral activity has been identified on these lands. Part of the southwest portion of the project area is currently closed to mineral entry through Mineral Closing Order (MCO) 435. Those portions of MCO 435 that currently close parts of the project area will be rescinded, and the entire project area will be closed to new mineral entry under a single new mineral order. The entirety of the project area will be closed to mineral entry (approximately 25,800 acres) if the Mineral Order 1173 is approved in accordance with *AS* 38.05.185 Generally and *AS* 38.05.300 Classification of Land for a land disposal. Closing the entire area to mineral entry is consistent with the management intent of the KUAP.

Mineral orders which close an area to mineral entry, close the applicable area to new exploration and development of locatable minerals. Such mineral orders do not apply to leasable minerals (such as: oil, gas, coal, etc.), or exploration licensing for such, nor do they preclude reasonable surface access to these resources. However, *AS* 38.05.130 *Damages and Posting of Bond* stipulates that the land estate owner will be compensated for damages resulting from exploration and development.

Mining activity for locatable minerals would be incompatible with the past, current, and proposed land estate uses for land disposals. To allow new mineral location within the boundaries of the parcels encompassed by this decision could create serious conflicts between land estate and mineral estate users. Area plan management guidelines pertaining to Settlement and Subsurface Resources state that, in general, areas scheduled for disposal will be closed to mineral entry prior to sale to minimize potential conflict between land estate and mineral estate users.

Local Planning: The project area is within the Unorganized Borough, and the State does not pursue zoning of private lands.

Traditional Use Finding: The project area is within the Unorganized Borough, and a traditional use finding is therefore required under AS 38.05.830 Land Disposal in the Unorganized Borough. Information obtained from the KUAP, research, Agency Review, public scoping meeting, and site inspection indicates that the Kuskokwim River corridor and major tributaries and surrounding lands have long been utilized by indigenous and other peoples for transportation, trade, subsistence, exploration, and general public uses. 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 possible increase in the various traditional activities which may be practiced by private-property owners. Impacts on existing resource users will be minimized by limiting the number of parcels to 40, and by retaining potential cultural or historical sites, access locations, and reserving areas for public use. This proposed project allows for a maximum of 800 acres of the approximately 25,800-acre project area (approximately 3% of the area), to be conveyed into private ownership. Additional information on traditional use is welcome during the public comment period and if this proposal is approved, LSS will address the information received in a subsequent Final Finding and Decision, if one is issued. See the Section VIII Submittal of Public **Comments** at the end of this documents and *Attachment C*: Public Notice for details on how to submit comment.

Access To, Within, and Beyond Project Area: Access to the project area is by river boat or snow-machine along the Kuskokwim River, or by bush plane. The nearest airports are located at Stony River southwest of the project area and McGrath to the northeast, both on the Kuskokwim River. From those locations chartered bush planes may land on river gravel bars or utilize floats or skis. Experienced float plane pilots reportedly could also utilize a number of small, narrow lakes or sloughs to land on. Chartered boat transportation on the Kuskokwim and Nunsatuk Rivers would be possible in season; smaller streams may also be accessed by small boat under favorable conditions. Both sides of the Kuskokwim River bank offer upland access along many points while other locations are too steep or wet. Winter snow-machine or dog mushing travel would also be possible to, within, and beyond the proposed project area. Terrain and vegetation would make foot travel challenging in non-winter months, but more solid uplands and ridges with low shrub or tundra cover could be traversed carefully year-round. Legal access to, within, and through the project area is via travel across unreserved State-owned land, along section line easements, or other easements reserved in conveyances to third parties. Access across unreserved Stateowned land without a permit, along with pertinent restrictions, is governed by 11 AAC 96 Provisions for General Land Use Activity. Access across State land via 11 AAC 96.020 Generally Allowed Use does not reserve easement or access reservation along that route, and reliance on an unreserved route does not protect it from future disposal or land-use reservation actions. DNR does not survey individual access routes to private parcels. Land owners may apply for access easements to reserve legal access routes. This will require additional applications, processing requirements, and costs.

The DMLW Southcentral Regional Office, Lands Section (SCRO) recommended reserving areas along the Kuskokwim River for public landing and staging. Multiple areas have been excluded from the project area which will serve as public access, landing, and staging. Additionally, the 200-foot staking setback from the Kuskokwim River and 100-foot setback from the Nunsatuk River will provide public lands along these rivers, which may be used for these purposes. LSS may reserve additional areas from staking if determined appropriate.

Field inspection and review of the title reports, maps and land status records indicates there are no platted right of ways or constructed roads or trails in the area. There are no RS2477 trails identified in the project area. DMLW has reserved areas around some natural access and staging points, such as river junctions. Details on those sites will be determined after considering public and agency comments, and specific information will be provided in offering materials and staking instruction packets.

DMLW will, at its discretion, reserve an easement centered on existing trails that have not been assigned an ADL or RST number, or otherwise serialized, through or along any staked site. Section line easements will be reserved on each side of surveyed or protracted section lines that are within or along staked sites. Stakers will be instructed not to stake across section or township lines, across trail easements that have been assigned an ADL or RST number, or other trails or access routes identified within the staking area. Easements along interior parcel lines will also be reserved in order to ensure access between staked parcels. A survey easement will be reserved to control monuments within parcels in order to allow for access to recover monuments of record for the purposes of surveying and establishing property boundaries in the vicinity of a parcel. Project design will take into account topography and access to lands beyond the project area boundaries.

Access To and Along Public or Navigable Waters: In accordance with AS 38.05.127 Access To Navigable or Public Water, DNR will determine if a water body is navigable or public and establish easements or right-of-ways as necessary to ensure unobstructed access to and along the body of water. Regulations dictating the creation of easements or right-of-ways under this statute include 11 AAC 51.035 Determination of Navigable and Public Water and 11 AAC 51.045 Easements To and Along Navigable and Public Water. In general, a continuous easement extending upland from the ordinary high water mark will be reserved within parcels along waters determined to be public or navigable. An alternate upland access route may be reserved if topography or obstructions prevent or make a continuous easement difficult.

For the purposes of AS 38.05.127:

- navigable waters are generally lakes larger than 50 acres in size or streams larger than 50 feet in average width;
- public waters are generally lakes larger than 10 acres in size or streams larger than 10 feet in average width; and
- waters may be determined public or navigable consistent with AS 38.05.965 (18) Definitions.

Parcels will be subject to access reservations in accordance with AS 38.05.127 Access to Public or Navigable Water and a 100-foot building setback from the OHW of the water bodies described, as well as any additional water bodies identified as public or navigable prior to completion of survey.

Attachment A: Vicinity Map identifies water bodies determined to be public for the purposes of this proposal. If, at the time of survey, a water body not identified as public on Attachment A is determined to be public or navigable and is located within or along a staked parcel, a public access easement will be reserved upland from the ordinary high water mark, in accordance with AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51.035 Determination of Navigable and Public Water. If a water body determined to be public is located entirely within a parcel, a public use access easement from the parcel boundary to and along the water body will be reserved and dedicated at the time of field survey. This is unlikely to occur given that staked parcels can only be up to 20 acres in size. However, as administrative parcels may be larger than 20 acres and water bodies smaller than 10 acres in size may be administratively determined public if they contain important public resources, it is possible that this type of public use access easement may be reserved.

If at the time of survey, a water body identified as public on *Attachment A* is determined to not be public or navigable, the public access will be extinguished. However, if public access is required, a public access easement in accordance with *11 AAC 51.015 Standards for Public Easements* will be imposed on or adjacent to the water body. Refer to the <u>Easements, Setbacks, and Reserved Areas</u> subsection for additional information.

The Kuskokwim River and the Nunsatuk River have been determined to be public within/adjacent to the project area; per the Tentative Approval dated 6/22/1982 the Kuskokwim River and the Nunsatuk River have been determined navigable water bodies within the project area. The public is invited to comment on use of water resources in the project area to aid in making the public water determination.

Easements, Setbacks, and Reserved Areas: The project area may include a variety of easements, setbacks, and reserved areas, which will be identified in offering materials, staking instructions, and related informational documents. DMLW will continue to research and identify easements, setbacks, or reservations throughout the staking and survey period as necessary to protect resources, third party interests, public use, or access. Staking setbacks differ from building setbacks in that staking setbacks leave an area of land retained in State ownership, while building setbacks and easements are on land conveyed to the staker and place development restrictions thereon. Restrictions and encumbrances will be identified in the staking instructions, depicted on staking maps, and noted in the brochure, where possible.

Building Setbacks From Public or Navigable Water. If the offering is deemed feasible, DNR DMLW proposes to place a note on the final survey plat describing a building setback upland from the OHW of public or navigable water to protect access, fish and wildlife habitat, and personal property. Except for utilities, water-dependent structures whose purpose is access to or across the stream or lake, or minor accessory structures for uses that must be in or adjacent to the water body in order to function, structures and subsurface sewage disposal systems will not be permitted within the building setback. Parcels under lease will also be subject to this building setback. The following building setbacks will apply to parcels created as a result of this offering:

• a 100-foot building setback from the OHW of all public or navigable water bodies;

Staking Setbacks and Reserved Areas: Reserved areas and staking setbacks may be designated for public use, access, or to protect valuable resources. Staking will not be allowed within these areas. Staking setbacks and reserved areas will be described in offering information and staking instructions. DMLW may identify additional staking setbacks and reserved areas as necessary throughout the staking. The following staking setbacks and reserved areas will apply to this offering:

- a 200-foot staking setback from OHW of the Kuskokwim River;
- a 100-foot staking setback from OHW of the Nunsatuk River; and
- a reserved area over Class I wetlands to be shown on the staking map;

Easements: Parcels may be subject to a variety of easements, both during the lease period and after sale. This may include, but is not limited to, existing trails (with or without assigned ADL numbers), rights-of-way, section line easements, and public access and utility easements. Throughout the staking period and survey process, DMLW will continue to research the status, location, and condition of access routes and additional easements may be identified. Final width and location of easements and reservations will be determined as part of the platting process.

on the plat. Parcels may be subject to a variety of reservations or restrictions where appropriate, such as:

- a public access and utility easement along parcel boundaries;
- an easement centered on existing trails through or along staked parcels;
- a 50-foot-wide section line easement on each side of surveyed or protracted section lines on State-owned land in accordance with AS 19.10.010 Dedication of Land for Public Highways and 11 AAC 51.025 Section-line Easements; sectionline easements may be vacated under AS 19.30.410 Vacation of Rights-of-Way and 11 AAC 51.065 Vacation of Easements;
- a 50-foot continuous easement upland from the OHW of public or navigable water bodies in accordance with AS 38.05.127 Access To Navigable or Public Water,
- a 5-foot survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5' direct line-of-sight easement from the control station to an azimuth mark or other control monument.

These easements and reservations will apply both during the lease period, and after sale. Where appropriate, reservations and restrictions will be depicted on the plat and described in plat notes.

<u>Hazardous Materials and Potential Contaminants</u>: During aerial field inspections conducted on June 15, 2016, DMLW staff did not observe any environmental hazards within the project area. There are no known environmental hazards present within the project area; however, the State makes no representations and no warranties, express or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances eventually be found. Interested parties are encouraged to inspect the property and familiarize themselves with the condition and quality of the land prior to staking.

DNR DMLW recognizes there are potential future environmental risks when previously vacant land is occupied. Many of the activities increasing these potential risks are regulated by other agencies, such as the regulation of septic system installation by the State of Alaska, Department of Environmental Conservation. This risk is no greater then when vacant private land undergoes development. Given that a portion this land has been designated Settlement for transfer into private ownership, the remainder is recommended to be amended to settlement, and given the high degree of interest from both the legislature and citizens in transferring State-owned land into private ownership, the Department is of the opinion that the benefits of offering the land outweigh the potential risks.

<u>Survey</u>, <u>Platting</u>, and <u>Appraisal</u>: After evaluation of public comment and conditions of the land, DNR will determine if it is in the State's best interest to offer the proposed project area. Survey, platting, and appraisal of staked parcels will be completed prior to sale. DMLW proposes to issue survey contracts to conduct the survey, and the survey costs will be prorated by acreage for each parcel. DMLW may also identify and survey additional parcels

in a project area to be sold under *AS 38.05.045 Generally*. The number of staked and additional surveyed parcels will not exceed the total number of authorizations offered, nor total number of acres to be sold.

The project area is located within the Unorganized Borough, and therefore survey and platting will be subject to State of Alaska subdivision standards.

In accordance with AS 38.05.840 Appraisal, an appraisal meeting DNR DMLW standards will be required within two years of the date of entry of any parcel developed under this proposed action.

In accordance with 11 AAC 67.825 Lease Application: Priority and 11 AAC 67.835 Lease Conditions, lessees will be required to make payments during the lease period toward the cost of survey, platting, and appraisal.

<u>Staking Instructions and Lease</u>: The Remote Recreational Cabin Sites program authorizes winning applicants to stake a parcel within a project area and issues leases to successful applicants while the parcels are surveyed, platted, and appraised, in accordance with *11 AAC 67.800 - 11 AAC 67.845 Remote Recreational Cabin Sites*. Letters awarding staking authorizations to enter onto the land and staking instructions will be issued in accordance with *11 AAC 67.820 Staking Instructions*. These staking instructions will include general requirements for staking a parcel of land, specific requirements for individual staking areas, and staking maps depicting existing parcels, reserved areas, staking setbacks, and access routes, where known and practical.

To preserve their interest in the staked parcels and continue in the process to eventual ownership, stakers must apply for a lease after staking a parcel. Upon issuance, the lease authorizes the lessee to enter and enjoy exclusive, private, recreational use of the property between staking and purchase while the survey, platting, and appraisal are completed. During the term of the lease the leasehold may not be used for commercial purposes or as a permanent residence. Lessees will be allowed to construct buildings on the property, but will be warned of the risks of constructing prior to survey completion solidifying the location of the property boundaries. Noncompliance with zoning requirements (if there are any) or mislocation of the parcel or improvements does not vest any preference right to the land improperly entered.

VII. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this preliminary decision. Agency review was conducted from May 28, 2013 through June 28, 2013 concurrently with other separate, proposed projects. Comments pertinent to this proposed action received during agency review have been considered and addressed below. Additional timely comments received during the Public Notice period will be considered and addressed in a subsequent Final Finding and Decision, if one is issued.

<u>State Pipeline Coordinator's Section (SPCS) Comment</u>: The project area appears to be located approximately one township north of a possible future AS 38.35 gas pipeline right-of-way for the proposed Donlin project. However, no lease has been issued at this time.

<u>DNR DMLW LSS Response</u>: The review and comment are appreciated. The State Pipeline Coordinator's Section website on May 24, 2016 had posted the proposed route of the Donlin Gold Pipeline. The draft map depicted the pipeline east-west crossing of the Kuskokwim River within T23N, R38W which is approximately 12 miles (two townships) south of the closest boundary of the proposed staking area. DMLW anticipates no conflicts with the potential pipeline and RRCS project locations.

<u>Mental Health Trust Land Office (MHTLO) Comment.</u> The proposed action for ADL 231543 does not impact MHT lands; the MHTLO has no objections to the proposed Remote Recreational Cabin Sites within the project boundaries.

DNR DMLW LSS Response: The review and comment are appreciated.

<u>Division of Geological & Geophysical Surveys (DGGS) Comments:</u> There are no known mineral occurrences or mining claims within the project area. However, geochemical surveys and unexplored mapped plutons suggest there may be potential interest in portions of the project area for gold vein mineralization once infrastructure is established to service the Donlin Gold deposit some distance to the southwest. Approximately 50-90% of the project area is in a zone of discontinuous permafrost. Areas in floodplains adjacent to rivers and streams, particularly along Kuskokwim River, are likely to be subject to erosion and seasonal flooding.

<u>DNR DMLW LSS Response</u>: The information has been noted and considered and is incorporated in this decision. Although we are proposing to close the project area to mineral entry in accordance with the KUAP, if locatable mineral interest in portions of the area does occur after offering, the areas may be reopened if found appropriate. Because of the limited number of parcels proposed, LSS does not anticipate conflicts.

<u>Alaska Department of Fish & Game (ADF&G) Comment</u>: General comments and recommendations focused on potential negative impact of landowners accessing their parcels year-round, especially by poorly planned ATV routes that may damage the land and water habitats that could degrade property and public recreational values. ADF&G recommended: access points and trails be identified and reserved prior to staking; DNR work with interested parties and entities to develop consistent and legally established access to and within staking areas; all easements and legal access be noted and depicted on staking material, conveyance documents, and maps; have special instruction in the brochure that various activities along or across anadromous waters or unnamed creeks will require an ADF&G Habitat Permit.

<u>DNR DMLW LSS Response</u>: The primary access to this project area is anticipated to be via boat or aircraft. Based on the size of the project area and the probable dispersed location of individual sites, LSS does not anticipate the necessity for consolidated overland access routes. No trails have been identified within the area. If any trails are identified within the project area prior to or throughout the staking period, LSS will identify their location on staking maps, and parcels will be subject to the applicable reservations. Multiple areas have been excluded from the project area in order to retain access and public use of upland areas. Additionally, the 200-foot setback from the Kuskokwim will provide a minimum of 200-feet of public land along the river, available for

staging and public use in accordance with *11 AAC 96.020 Generally Allowed Uses*. Access across state-owned land on or off of an established easement is subject to *11 AAC 96.020 Generally Allowed Uses* on state land, and is beyond the scope of this decision to restrict. However, LSS will continue to research the location and status of access to and through the project area throughout the public comment period and up through the parcel survey. The offering brochure and staking information describe existing easements, buffers, set-backs, and reservations, and include information on how individuals can submit applications for access easements and habitat permits for activities and uses along or across rivers, lakes, or streams. Legal access identified prior to or during staking will be described in offering material and on staking maps where possible. Easements and reservations through or along parcels will be included in lease documents, parcel survey plats, and conveyance documents where appropriate.

<u>ADF&G provided the following comments specific to the Granite Mountain project area</u>: Comments and recommendations pointed out the heavy public use of the area for many fishing and hunting activities including one trap line on both sides of the Kuskokwim River. This project area is open to residents for general moose and other wildlife hunting, while nearby areas only have registration permit hunts. ADF&G recommended reducing the number of parcels and acreage being offered, especially along the Kuskokwim River, as the loss of public land will negatively impact trappers and may displace hunters and force them to seek other areas that already have a high level of activity. ADF&G is opposed to the special exception proposed during agency review, stating areas adjacent to rivers provide habitat, movement corridors, access for the public, and water quality and stream bank protection.

<u>DNR DMLW LSS Response</u>: DMLW is aware that this area has long been a popular location for many fishing and hunting activities including trap lines. These elements help make this an attractive area for RRCS offering. We are of the opinion that fulfilling the area plan mission of making land available to private ownership on the scale proposed in the designated management subunits would not adversely impact or prevent the general public from continued enjoyment of such activities in the area. If the allocation of a maximum 40 parcels totaling 800 acres was realized, approximately only 3% of the total acreage would be sold. The area plan allows 18% to be sold. Therefore, DMLW does not intend to reduce the number of parcels or acreage proposed to be offered in this project.

DMLW agrees that areas adjacent to rivers provide habitat, movement corridors, access for the public, and water quality and stream bank protection. To support these functions, we have denoted a 200-foot staking setback from the Kuskokwim River, both sides, and a 100-foot staking setback from the Nunsatuk River, both sides. LSS conducted further study and review and determined that a special exception, as proposed during the agency review process, is not necessary.

DNR Division of Parks and Outdoor Recreation, Office of History and Archaeology (OHA)

<u>*Comment*</u>: OHA expressed interest and concern about possible cultural and historical resources within the general area. Because comments included sensitive information considered confidential, specific input is not presented here.

<u>DNR DMLW LSS Response</u>: Since Agency Review, LSS has had additional coordination with OHA, and LSS has considered their input in the development of this proposal. Public input and the OHA have indicated that this area has long been used or periodically occupied by native and non-native peoples. DMLW has adjusted the original staking area to accommodate OHA concerns. Brochure information and offering materials regularly include information alerting participants about cultural resources and the protection and reporting requirements. Stakers are notified that *AS 41.35.020 Alaska Historic Preservation Act* prohibits the appropriation, excavation, removal, injury, or destruction of any historic, prehistoric (paleontological), or archaeological site without a permit from the Commissioner. Should any sites be discovered during the development of these parcels, activities that may damage the site must cease and OHA must be notified immediately.

The following agencies or groups were included in the agency review but LSS received no comments:

- Department of Natural Resources;
 - Division of Agriculture;
 - Division of Forestry;
- Department of Environmental Conservation;
- Department of Transportation and Public Facilities;
- University of Alaska; and
- Soil and Water Conservation District

VIII. Submittal of Public Comments

See Attachment C: Public Notice for specific dates and conditions.

Pursuant to AS 38.05.945 Notice, DNR is issuing public notice inviting comment on this Preliminary Decision, draft area plan amendment, draft land classification order, and draft mineral order.

In accordance with AS 38.05.946 (a) Hearings, 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 representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

LSS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the Preliminary Decision, draft area plan amendment, draft land classification order, or draft mineral order, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposals are approved and no significant change is required, the Preliminary Decision, draft area plan amendment, draft land classification order, and draft mineral order including any deletions, minor changes, and summary of comments and LSS responses will be issued as a subsequent Final Finding and Decision, KUAP Amendment No SC-88-001A20, Land Classification Order CL SC-88-001A20, and Mineral Order 1173 without further notice. All

related actions will be developed separately. However, approval of any action is dependent upon one another. One action will not proceed without approval of all actions.

Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file a request for reconsideration of the Final Finding and Decision, KUAP Amendment No SC-88-001A20, Land Classification Order CL SC-88-001A20, and Mineral Order 1173. Upon approval and issuance of these actions, a copy of the decision, orders, and amendment will be made available online at http://landsales.alaska.gov/ and sent with an explanation of the request for reconsideration process to any party who provides timely written comment.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may need such assistance should contact the Department's Public Information Center. For more information, refer to *Attachment C:* Public Notice.

DEADLINE TO SUBMIT WRITTEN COMMENT IS 5:00 PM, TUESDAY, APRIL 11, 2017

IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

<u>Alternative 1</u>: (Preferred) Offer up to 40 authorizations to stake parcels ranging from 5 to 20 acres in the Granite Mountain Remote Recreational Site project area, for a maximum of 800 acres sold through this offering under *AS 38.05.600 Remote Recreational Cabin Sites*. DNR DMLW may also identify and survey additional parcels in a staking area, up to the maximum number of parcels/maximum acreage listed above. The development and offering of the project area may be completed in multiple stages. This proposal includes the amendment to the KUAP, land classification order, and mineral order.

<u>Alternative 2</u>: Do not offer the project area under the RRCS program. Survey parcels prior to offering to the public under AS 38.05.045.

<u>Alternative 3</u>: (Status Quo) Do not offer this project area for private ownership. Retain the land in State ownership.

Article VIII, Section 1 of the Alaska Constitution states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." Furthermore, *AS* 38.05.045 Generally and *AS* 38.05.600 Remote Recreational Cabin Sites has placed this charge with DNR, and the legislature has provided funding to administer the land sale program.

Alternative 1 provides a method for DNR to help meet the obligations laid out in the Constitution and statute, and maximizes public interest. This offering provides a unique opportunity for Alaskans to obtain remote property in a desirable area. Alternative 1 provides the greatest opportunity for Alaskans to purchase land within this area which suits their needs.

Dispersed, low density staking is the best alternative for this area since it is a remote location with little or no infrastructure; the amount of contiguous high-quality acreage suitable for a large

Preliminary Decision Granite Mountain Remote Recreational Cabin Sites – ADL 231543 Page 24 of 25

number of adjacent sites is low due to varying topography. Under designated parameters, entrants may choose individual sites within the staking area that suit their needs. Allowing additional parcels and parcels that are not converted from lease to sale to be surveyed and sold under *AS 38.05.045 Generally* will maximize the opportunities for the transfer of State-owned land into private ownership under a uniform set of conditions. Alternative 1 is preferred.

Alternative 2 is not preferred. High-quality sites suitable for individual settlement are discontinuous within the project area. There are few large areas with contiguous and high-quality acreage that could accommodate large numbers of adjacent parcels with suitable building sites and consolidated access. However, the area is better suited to dispersed settlement, and allowing entrants to select individual locations to suit their needs.

Alternative 3 is not preferred. The Legislature and the public have indicated a desire for DNR DMLW to offer State-owned land for private ownership. Retention of this land would inhibit DNR DMLW from meeting its Constitutional, statutory, and legislative obligations. Not offering the project area would deny many Alaskans the opportunity to obtain land in an area that is suited to settlement. The related actions are necessary to allow for the offering of the full project area, including settlement units 5g and 5h. The primary action and related actions are dependent upon one another, and if DNR DMLW does not approve the project, the related actions will not be processed.

For the aforementioned reasons, Alternative 1 is the preferred alternative.

Recommendation follows.

Preliminary Decision Granite Mountain Remote Recreational Cabin Sites – ADL 231543 Page 25 of 25

X. Recommendation

This Preliminary Decision for the proposed disposal of state lands, KUAP Amendment No SC-88-001A20, Land Classification Order CL SC-88-001A20, and Mineral Order 1173 described throughout this document and its attachments is consistent with the overall management intent for State-owned land. Alternative 1 is the preferred alternative because it provides the maximum opportunity for offering State land to the public, and helps meet the mission of the land sales program. The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the state and that it is hereby approved to proceed to public notice.

This is a Preliminary Decision, and analysis of subsequent public review may result in changes to the preferred alternative of the proposed disposal of state lands, KUAP Amendment No SC-88-001A20, Land Classification Order CL SC-88-001A20, and/or Mineral Order1173. If the decision is approved, KUAP Amendment No SC-88-001A20, Land Classification Order CL SC-88-001A20, and Classification Order CL SC-88-001A20, Land Classification Order CL SC-88-001A20,

/s/

Prepared by: John W. Thomas, Adjudicator Natural Resource Specialist III Land Sales Section Division of Mining, Land, and Water Department of Natural Resources State of Alaska

/s/

Approved by: Kathryn Young Section Manager Land Sales Section Division of Mining, Land, and Water Department of Natural Resources State of Alaska Date

Feb 22, 2017

Feb 22, 2017 Date

Attachment A: Vicinity Map GRANITE MOUNTAIN RRCS to a Preliminary Decision for ADL 231543 a Proposed Land Offering in the Unorganized Borough



Legend



Project Area

Private Property

Public Water

Anadromous Waters

USGS QUAD 1:63,360

Iditarod (B-1) For more information contact: John W. Thomas Department of Natural Resources Division of Mining, Land, and Water Land Sales Section Phone 907.269.8591 Fax 907.269.8916 Email: land.development@alaska.gov







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

ATTACHMENT B: AREA DATA SUMMARY TABLE

to the **Preliminary Decision**

for a

Proposed Land Offering in the Unorganized Borough Granite Mountain Remote Recreational Cabin Sites – ADL 231543

Offering Information		
Proposed Number of	Up to 40	
Parcels		
Proposed Parcel Size	5 to 20 acres	
Net Offering	Up to 800 acres	
Proposed Related	Amendment to the KUAP;	
Actions	Land classification order;	
	Mineral order (closing)	
Project Area		
Location	Portions of five (5) townships along both sides of the Kuskokwim River	
	mostly north of the junction with the Nunsatuk River.	
Gross Area Acreage	Approximately 25,800 acres	
USGS Topography	USGS Quad Iditarod (B-1), Alaska	
Мар		
MTRS	Seward Meridian:	
	Township 25 North, Range 37 West:	
	Section 6: portion of;	
	Township 25 North, Range 38 West:	
	 Section 1: portions of; 	
	• Sections 2-3 ALL;	
	Township 26 North, Range 37 West:	
	 Sections 1-3, 7-9, 13, 14, 18, 19, 21-24, 27-30, and 32-34: ALL; 	
	• Sections 10-12, 15-17, 20, and 31: portions of;	
	Township 26 North, Range 38 West:	
	• Sections 25-28 and 33-35: ALL;	
	• Section 36: portions of;	
	Township 27 North, Range 37 West:	
	• Sections 25, 26, and 35-36: ALL;	
	• Sections 27 and 34: portions of;	
	Excluding the Kuskokwim River and islands.	
Title	Tentatively Approved State-owned land; Tentative Approvals, dated	
	6/22/1982, 6/22/1982, 3/30/1992, 6/22/1982, and 4/27/1992	

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Unorganized Borough Granite Mountain Remote Recreational Cabin Site – ADL 231543 Page 2 of 4

Area Plan and Classification Mineral Orders	 Kuskokwim Area Plan (KUAP) (adopted May 1988), Management Unit 5-Kuskokwim River, Subunits 5g – Nunsatuk North and 5h – Nunsatuk River. Lands are classified Settlement and Resource Management respectively. Existing MCO 435 for only part of the project area will be rescinded 	
	and entire project area will be closed to mineral entry by MO #1173	
Physical Characteristics		
Access	Commercial flights to Stony River or McGrath; local air or boat charter to project area; winter snow machine or dog mushing also possible; foot travel and generally allowed uses on state lands may be possible through much of the area depending on seasonal conditions. There are no known RS2477 trails within the proposed project area.	
Terrain and Major Features	Readily traversable large river valley and surrounding moderately steep mountains are found from an elevation of about 250 to 1200 feet within the project boundaries. Kuskokwim and Nunsatuk Rivers, and their tributaries are major avenues of access to surrounding uplands. There are areas of marsh-wetlands found mostly east of the Kuskokwim River.	
View	Depending on location and vegetation, views of water bodies or surrounding mountains are common.	
Climate	This interior location falls within the continental and western transitional climate zones which are characterized by extremely cold winters and warm summers. Western Regional Climate Center, McGrath airport long term average temperature reported for January was -17°F and for July was +69°F; average annual precipitation was 17 inches with over 90 inches of snowfall. Kuskokwim River is generally ice free mid-June through October. High winds may occur in the fall and winter.	
Soils	1979 Exploratory Soil Survey of Alaska: Uplands are characterized with Histic Pergelic Cryaquepts-Typic Cryorthods, loamy, hilly to steep soils; the river flood zone has Histic Pergelic Crysquepts-Typic Cryofluvents, loamy, nearly level soils. Approximately 50% of the project area may have subsurface permafrost.	
Wetlands	Tundra-type conditions can be wet even on locations with sloping land. The flat river flood plain has expanses of wetlands, mostly along the east or left Kuskokwim River side. Dredging or filling of wetlands may require a permit from the US Army Corps of Engineers.	

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Unorganized Borough Granite Mountain Remote Recreational Cabin Site – ADL 231543 Page 3 of 4

Vegetation	Tundra interspersed with boreal forest characterizes the area. South facing slopes often support white spruce, paper birch, and aspen while north facing slopes primarily harbor black spruce or tundra with sedges, mosses, and willows. The June 2015 aerial field inspection revealed essentially all of the project area was well vegetated with plant species that appeared green and vigorous. No evidence of recent forest fires was observed. Mixed spruce and broadleaf trees were abundant adjacent to the river and most tributaries, giving way to brush and tundra further from the water as upland elevation increased. Some lowlands along both sides of the waterways commonly appeared to be wet or marshy, mainly on sites east of the Kuskokwim River.
Water Source	Potential for surface water collection from streams and small water bodies. The Kuskokwim River is a large, silty river; the Nunsatuk and smaller rivers may be somewhat clearer but often are discolored with runoff draining from muskeg covered uplands. No data were found for wells or other sources of domestic water in this area. Water quality is unknown.
Anadromous Waters	Kuskokwim and Nunsatuk Rivers.
Local Management Information	
Fire Management Option	The fire management option for areas adjacent to the Kuskokwim and Nunsatuk Rivers is "Full." The remaining portion of the project area is "Limited."
Game Management Unit	19D
Local Authority	The project area is within the Unorganized Borough and subject to the State of Alaska platting authority.
Flood Zone	FEMA Flood Information Rate Maps are not available for the staking area. Areas adjacent to rivers and streams, particularly along Kuskokwim River, are likely to be subject to erosion and seasonal flooding. Side streams and associated low lying areas may also be susceptible to flooding during spring break-up or with heavy summer rains.
Utilities	No known services exist within the project area.
Waste Disposal	All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation.
	eas, Easements, and Conditions
Allowed Uses	No commercial use or permanent residence is allowed while under lease. Once the parcel is under purchase contract or conveyed into private ownership these restrictions no longer apply.
Improvements	Prior to construction of any structure, driveway, or waste disposal system, potential purchasers should contact the platting authority for any permits or for required setbacks from water bodies, lot lines, and easements.
Building Setbacks	None. Building set backs have been replaced by staking setbacks or determined to be unnecessary since their removal does not pose a risk to water quality or other values.

Attachment B: Area Data Summary Table for a Proposed Land Offering in the Unorganized Borough Granite Mountain Remote Recreational Cabin Site – ADL 231543 Page 4 of 4

Staking Setbacks	Staking will not be allowed within the following areas:
Staking Setbacks	 200-feet from Kuskokwim River
	100-feet from Nunsatuk River
Reserved Areas	Staking will not be allowed within reserved areas imposed prior to or
	during the staking period, including reserved areas to avoid locating
	parcels within or near a specific resource or third party interest, or to
	reserve areas for public use. Additional reserved areas may be
	imposed up to or during the staking period as necessary.
	 reserved area over Class I wetlands to be shown on staking
	map;
Easements	Staked parcels may be subject to the following:
	• a public access and utility easement along parcel boundaries;
	 an easement centered on existing trails through or along
	staked parcels;
	 a 50-foot wide section line easement on each side of
	surveyed or protracted section lines on State-owned land in
	accordance with AS 19.10.010 Dedication of Land for Public
	Highways and 11 AAC 51.025 Section-line Easements;
	section-line easements may be vacated under AS 19.30.410
	Vacation of Rights-of-Way and 11 AAC 51.065 Vacation of
	Easements;
	 a 50-foot continuous easement upland from the OHW of
	public or navigable water bodies in accordance with AS
	38.05.127 Access To Navigable or Public Water; and
	 a 5-foot survey easement from the nearest practical point on
	the property boundary to control monuments within the parcel
	and an easement with a radius around the control monument,
	and as applicable, a 5' direct line-of-sight easement from the
	control station to an azimuth mark or other control monument.
Public or Navigable	Kuskokwim River and Nunsatuk River; several unnamed water bodies
Water Bodies	within the project area have been determined public. Attachment A:
Water Boales	Vicinity Map identifies those water bodies identified as public for the
	purpose of this offering. If additional water bodies are deemed public
	or navigable within the project area prior to platting, DNR DMLW will
	comply with statutory requirements to provide access to and along
	said water bodies.
Additional Information	
Native Regional	Doyon Limited regional corporation.
Corporations	
Villages and Tribal	There are no villages located within 25 miles of the project houndary
Councils	There are no villages located within 25 miles of the project boundary;
Counciis	however, notification will be distributed to Doyon, Limited; Region
	Villages of McGrath, Takotna, Nikolai, and Telida (MTNT); and to
	Calista Corporation and Region Villages of Stony River, Sleetmute,
	Red Devil, and Georgetown.
Oil and Gas Activity	None known.
Mining Activity	No current activity known.
Comments	None

ATTACHMENT C: PUBLIC NOTICE

STATE OF ALASKA, DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND, & WATER LAND SALES SECTION

PUBLIC NOTICE

Requesting Input for a Proposed Land Offering: **Granite Mountain Remote Recreational Cabin Sites Project Area – ADL 231543** a Preliminary Decision and its Proposed Related Actions: Amend Kuskokwim Area Plan, Land Classification Order, and Mineral Order (Closing)

COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 11, 2017

This proposed project includes offering for sale surveyed parcels in a future offering under the method and the related actions as described in the Preliminary Decision document. The project may be subdivided and offered in multiple offerings over time.

Location: within DNR's Southcentral Region along the Kuskokwim River approximately 50 air miles southwest of McGrath and 38 air miles northeast of Stony River

Proposed Offering: up to 40 parcels, ranging from 5 to 20 acres.

To obtain copy of the Preliminary Decision, Mineral Order, Land Classification Order, Area Plan Amendment, or instructions on submitting comment, go to http://landsales.alaska.gov/ or http://aws.state.ak.us/OnlinePublicNotices/. For assistance in obtaining the documents by an alternative method, to request auxiliary aids, services, or special accommodations, contact DNR's Public Information Centers on State work days, Monday through Friday, between 10AM and 5PM in Anchorage at 907.269.8400 (TDD for the hearing impaired: 907.269.8411) or Fairbanks at 907.451.2705 (TDD for the hearing impaired: 907.451.2770), or the Southeast Land Office in Juneau at 907.465.3400 (TDD for the hearing impaired: 907.465.3888), or go to http://dnr.alaska.gov/commis/pic/ for additional contact information. Individuals who require special assistance must request assistance from the Public Information Center in Anchorage no later than 4:00 PM, Tuesday, April 4, 2017.

Pursuant to *AS 38.05.945 Notice*, the public is invited to submit comment on the Preliminary Decision, Mineral Order, Land Classification Order, or Area Plan Amendment for which notice is being conducted concurrently. If commenting on more than one proposed action, separate comments should be submitted for each. **The deadline for public comment is 5:00 PM, TUESDAY, APRIL 11, 2017.** Only persons from whom DNR DMLW LSS receives timely, written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Written comment may be received by email, postal mail, or fax: <u>land.development@alaska.gov</u>, DNR DMLW LSS, 550 W. 7th Ave., Suite 640, Anchorage, AK 99501, or fax # 907.269-8916. If you have questions, call John Thomas, 907.269-8591.

If no significant change is required, the preliminary decision, mineral order, land classification order, and area plan amendment, including any minor changes and a summary of comments

Attachment C: Public Notice to the Preliminary Decision and its Related Actions for a Proposed Land Offering in the Unorganized Borough Granite Mountain RRCS – ADL 231543 Page 2 of 2

and responses, will be issued as the final finding and decision without further notice. A copy of the final finding and decision will be sent to any persons who commented timely on the preliminary decision.

DNR reserves the right to waive technical defects in this notice.