

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

PRELIMINARY DECISION

of a
**Proposed Land Offering in the Matanuska-Susitna Borough
Dog Sled Subdivision – ADL 231738**

AS 38.05.035 (e), AS 38.05.045

and its

RELATED ACTION:

Proposed Mineral Order (Closing)

AS 38.05.185 and AS 38.05.300

COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 1, 2014

I. Proposed Actions

The following discussion explains the proposed actions of this Preliminary Decision.

Primary Proposed Actions: 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 and Contract Administration Section (LSCAS) is to offer for sale State-owned land within the identified project area. If approved, surveyed parcels will be offered for sale in a future offering under the methods as described herein.

Attachment A: Vicinity Map

Attachment B: Area Data Summary Table

Attachment C: Public Notice

Located within DNR's Southcentral Region, approximately 65 air miles north of Anchorage and 16 air miles south of Talkeetna, the project area is within Section 9, Township 23 North, Range 4 West, Seward Meridian, within the Matanuska-Susitna Borough (MSB). The project area consists of approximately 96 acres identified for disposal by this proposed action. See Attachment A: Vicinity Map for a depiction of the approximate location of the project area.

In accordance with the governing area plan and for the purposes of providing land for settlement, DNR proposes to sell land within the project area. In order to offer these lands for sale, if approved and deemed feasible, DNR may develop a subdivision of no more than 20 parcels, each varying in size 3 acres or larger. Also, DNR may consider parcels over 5 acres per the allowances listed in *AS 38.04.020 (h) Land Disposal Bank*. This proposed project area is located within the Matanuska-Susitna Borough (MSB) and therefore survey, platting, and road construction will be completed to the relevant subdivision standards. The project may be subdivided and sold in more than one offering over time.

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If this proposed primary action is approved, the actual area offered for sale may consist of all or only a portion of the overall project area. After consideration of public comment, the size and boundaries of the development area will be described in a subsequent Final Finding and Decision, if the project proceeds to that step. There may be adjustments to the development area prior to survey/subdivision, as described in the applications to the Borough, as needed to reserve areas for public use, minimize conflicts between uses, or ensure compliance with Borough platting requirements.

Proposed Related Action:

Mineral Order (Closing): DNR proposes a mineral order to close the project area to new mineral entry. DMLW Mining section has stated there are no mining claims identified within the project area. Refer to the Reservation of Mineral Estate subsection of this document for more information on this proposed related action.

This related action will be developed separately; however, public notice will be made concurrently as described below.

Public Notice of Proposal: 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 the proposal and the proposed related action. Public notice of the public comment period for all actions will be 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. If after consideration of timely, written comments the proposal is approved, DNR will issue a Final Finding and Decision.

II. Method of Sale

DNR proposes to offer for sale land within the project area as described herein, through a future offering under *AS 38.05.045 Generally [Sale of Land]*. If the parcels do not sell when offered at auction, they may be offered by another method under *AS 38.05.045 Generally [Land for Sale]*.

Offerings are noticed and administered by DNR DMLW LSCAS's Marketing and Sales Administration Team. DNR DMLW will announce an offering pursuant to *AS 38.05.945 Notice*. Public notice describes availability of land sale brochures, which usually advertise several previously surveyed parcels offered simultaneously across the state; provide conditions of the offering; describe the costs involved; and note appraised values and minimum bids.

Participants submit bids certifying eligibility to participate in a public auction in an attempt to win a maximum of one parcel per offering. This method maximizes opportunity for eligible Alaska residents while providing for a means of return of and on the State's investment in development of the parcels. If the parcels do not sell when offered at auction, they may be offered by another method under *AS 38.05.045*.

III. Authority

DNR DMLW has the authority under *AS 38.05.045 Generally [Sale of Land]* to sell State-owned land, including additional Administrative Parcels and reoffers, 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*. In addition, if it is deemed appropriate,

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DNR has the authority to develop and offer parcels larger than 5 acres under the allowances listed in *AS 38.04.020 (h) Land Disposal Bank*.

For related action, *AS 38.05.185 Generally [Mining Rights]* allows for mineral orders.

IV. Administrative Record

The project file ADL231738 constitutes the administrative record for this action. Also incorporated by reference are:

- *Southeast Susitna Area Plan for State Lands (SSAP)*, adopted April 2008, and associated land classification files;
- *Alaska Interagency Wild land Fire Management Plan (amended October 1998)*, and *MSB Community Wildfire Protection Plan Update – September 2008*;
- *Alaska Department of Fish & Game 2012 Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes*;
- *1979 Exploratory Soil Survey of Alaska*, and *USDA Natural Resources Conservation Service Custom Soil Report for this project*; and
- DNR case files relating to access easements, right-of-ways, and other federal, state, and local resources mentioned or discussed throughout this document.

V. Scope of the Proposal

The scope of this proposal, under the statutes described in the preceding Section III Authority of this document, is limited and specific to DNR DMLW's proposal to offer State-owned land within the defined project area for disposal and to conduct the proposed related action 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 subdivision and sale of lots may be conducted by multiple offerings over time.

VI. Description

The following section describes the project area.

Location: Within DNR's Southcentral Region, approximately 65 air miles north of Anchorage and 16 air miles south of Talkeetna, the project area is within the West ½ Section 9, Township 23 North, Range 4 West, Seward Meridian, in the Matanuska-Susitna Borough. See Attachment A, Vicinity Map, and Attachment B: Area Data Summary Table for additional information.

Borough/Municipality: The project area is within the Matanuska-Susitna Borough and is subject to the borough's platting and zoning authority. The project area is outside any municipality.

Native Regional and Village Corporations: Cook Inlet Region, Inc. (CIRI) is the native regional corporation for this project area, and the following are listed as native village or group within CIRI region: Knik, Montana Creek, and Caswell. Courtesy notification will be offered to village corporations and councils in the area, as they may potentially

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pursue traditional uses within the project area. See also Attachment B: Area Data Summary Table.

Legal Description: NW $\frac{1}{4}$ NW $\frac{1}{4}$; NW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$; W $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$; NW $\frac{1}{4}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 9, Township 23 North, Range 4 West, Seward Meridian, located within the Palmer Recording District, Third Judicial District, Alaska.

Title: Information from Title Report # 4522, current as of July 15, 2013 indicates the State of Alaska holds fee title to the land and mineral estate within the project area under Patent 1226381 dated April 17, 1962. The applicable State case file is GS 81. The parcel is subject to the reservations, easements and exceptions contained in the federal patent 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, if any.

These lands were acquired under Statehood entitlement, General Purpose Grant, under the Act of July 7, 1958, 72 Stat. 339 as amended. The State received title under Patent No. 1226381 dated April 17, 1962. The lands are subject to standard federal reservations.

Retention of and Access to Mineral Estate: In accordance with *Section 6 (i) of the Alaska Statehood Act* and *AS 38.05.125 Reservation [of Rights to Alaska]*, 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; and non-locatable minerals such as oil, gas, coal, ore, minerals, fissionable material, geothermal resources, and fossils.

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 Alaska Constitution* 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*.

The Bureau of Land Management has not made a navigability determination for waters within the affected townships for title purposes. There are no waters determined

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navigable within the project area. Refer to the [Access To, Within, and Beyond Project Area](#) subsection of this document for additional information.

[Physical Characteristics and Hazards](#): Attachment B: Area Data Summary Table describes the project area's physical characteristics. In addition, the following paragraphs describe the project area based on internal research and a ground field inspection conducted by DMLW staff on May 20, 2013. 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 individual parcels prior to purchase to familiarize themselves with the physical characteristics of the land.

Geologic Hazards: Earthquakes of varying magnitude can occur in most areas. Large and small watersheds may be susceptible to seasonal or random flooding (see *Flood Hazard* below). Each site may have micro-conditions that could vary from surrounding tracts. The basically level land poses no avalanche or landslide danger. According to information provided by DNR, Division of Geological and Geophysical Surveys, the project area is in the zone of no permafrost. Parts of the proposed subdivision include areas of former lakes and/or surface drainage and channeling related to deglaciation and melting ice bodies.

Fire Hazards: The 2013 field inspection revealed most of the project area was well vegetated with maturing black spruce with older birch occupying better drained sites. No evidence of wildfire in the area was observed.

Southcentral Alaska may experience varying degrees of wildfire danger if dry spells occur. Historically, as discussed in the MSB Community Wildfire Protection Plan Update – September 2008, the most active wildfire time is during May and June with a more recent trend suggesting uncontrolled fires are occurring earlier in the season. That document provides an excellent overview of the impact of fire on the ecology and wildland-urban interface for this area. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. DNR provides all entrants with information regarding wildland fire prevention and encourages them to locate structures in defensible areas such as hardwood stands with access to water. The proposed project area is readily accessed by existing borough maintained roads and would therefore facilitate preventative site improvement work for fire hazard mitigation as well as the response of fire suppression equipment.

Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from DNR Division of Forestry. The current fire management option for the project area is "Full." The policy on areas with the "Full" management option reads: "Suppression action provided on a wildland fire that threatens inhabited private property, high-valued natural resource areas, and other high-valued areas such as identified cultural and historical sites. The suppression objective is to control the fire at the smallest acreage reasonably possible. The allocation of suppression resources to fires receiving the full protection option is second in priority only to fires threatening a critical protection area." It is important to note, however, that DNR Division of Forestry warns that DNR Division of Mining, Land, and Water inform

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participants there is no guarantee their property will be defended or spared from harm from a wild land fire, even if the area is designated “Full” fire management option. MSB Information Technology Dept./GIS October 1, 2011 map of Talkeetna Fire Service Area #24 shows a portion of its eastern boundary as S. Dog Sled Dr.; thus essentially the entire proposed subdivision abuts this FSA.

Flood Hazard: There may be potential for seasonal “flooding” or standing water during break-up when the ground is still frozen, especially in low-lying areas. Interested parties are encouraged to research this issue and inspect the project area prior to applying. The project site is not located in a designated flood zone. LSCAS will continue to investigate and consider reserving areas prone to excessive flooding.

Background: State lands abutting on the east and south of the project area are designated water resource as shown on SSAP Map 1, and as such do not qualify for settlement activity. Municipal Entitlement lands are found abutting on the north and on the southern portion of the west boundary of the project area, and private lands are situated on the remainder of the west side of S. Dog Sled Dr. and to the northwest. Field Inspection in the spring of 2013 did not reveal any trespass or other objectionable activity within the project area. RST 536, existing dog mushing Montana Loop Trail(s), goes through the project area which contains a complex of spruce forests and open, marsh-like areas. The open portions allow some view of the Talkeetna Mountains further to the east. As mentioned above, another 1000 acres or more of open state land bordering on the east afford a multitude of uses to the general public as provided in 11 AAC 96.025. *Conditions for generally allowed uses.* ADL 72662, a coal prospecting permit including section 9, initiated in 1975 was closed in 1985; there are no mining activities in the project area, and a mineral closing order will be completed as a related action should this proposed subdivision move forward. Another separate but small state subdivision project, ADL 231773 Dog Sled West, located about ½ mile west of S. Dog Sled Dr. off of Montana Creek Dr., is currently under DMLW processing.

Planning and Classification: The general management intent of the area plan unit and subunit were reviewed for consistency with the proposed offering. The project area is within Southeast Susitna Area Plan (SSAP), adopted April 2008, Kashwitna Region, Management Unit K-10. Lands within this unit are currently designated and classified Settlement under Land Classification Order No. SC-08-001.

LSCAS and Survey Section staff reviewed the area plan’s guidelines in Chapter 2 Areawide Land Management Policies regarding fish and wildlife habitat, forestry, recreation, cultural and historic resources, trails, wetlands, settlement, public access, and other land and resource uses, and DMLW will incorporate these considerations into the development of the project. Lands to be retained in public ownership, conditions, and reservations will be indicated in the land sale brochure and maps to be issued.

The proposed offering is consistent with area-wide land management policies and general management intent of the SSAP and specific management unit. The unit is designated Settlement, and State-owned lands within the unit are appropriate for disposal, including sale, during the planning period.

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Area-wide Considerations: The management guidelines in SSAP Chapter 2-Settlement (pp 2-28 thru 32) address factors such as planning and coordination with local private or governmental sectors, selling lots by multiple offerings over the time period of the area plan, ensuring access to other state lands, protecting other resources, and design considerations. DMLW includes these guidelines in the over all, on going development process.

Kashwitna Region, Management Unit K-10 resource allocation table (p 3-57) spells out the following specific steps that are also incorporated in project development work: Unit is appropriate for land disposal during planning period. Development is to avoid the wetlands that adjoin the unit on the east. A 50' protection area between residential uses and this wetland area is to be provided. Maintain a screening strip of native vegetation along road.

Reservation of Mineral Estate: In accordance with *Section 6 (i) of the Alaska Statehood Act and AS 38.05.125 Reservation [of Rights to Alaska]*, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing, and producing the reserved mineral resources. Exploration and development, that could occur, would be consistent with *AS 38.05.130 Damages and Posting of Bond* and any other applicable statutes and regulations, which provide that the land estate owner be compensated for damages resulting from mineral exploration and development.

Mineral Activity and Mineral Order Proposal: No mineral activity has been identified on the project lands. The project area, which is the K-10 settlement unit (approximately 96 acres), will be closed to new mineral entry when the proposed related action Mineral Order (Closing) is approved in accordance with *AS 38.05.185 Generally [Mining Rights]* and *AS 38.05.300 Classification of Land* for a land disposal. Closing the entire project area to mineral entry is consistent with the management intent of the SSAP.

Mineral closing orders, where established, close an area to new exploration and development of locatable minerals such as gold, copper, platinum, etc. Such mineral orders do not apply to non-locatable minerals, including oil and gas leasing, coal leasing, shallow gas leasing, 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 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 mineral estate management policy states 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.

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Local Planning: Where they exist, local zoning and related ordinances govern private land use. The project area is within the MSB, and platting actions within this borough are subject to the borough platting and zoning authority. Provisions of the Matanuska-Susitna Borough Comprehensive Development Plan 2005 Update are considered in the design process. As shown on the MSB Information Technology Dept./GIS July 28, 2009 map, the proposed subdivision is located within Caswell Road Service Area #15. Approval of platting and zoning actions, and dedication of right-of-ways will include separate processes and public notices through the MSB.

Coastal Issues: The MSB will receive public notice and an opportunity to comment.

Traditional Use Finding: The project area is located within the MSB, and a traditional use finding is therefore not required per *AS 38.05.830 Land Disposal in the Unorganized Borough*. However, information on current or traditional use is welcomed and can be given during the public comment period. See the Section VIII Submittal of Public Comments and Attachment C: Public Notice for details on how to submit comment. If this proposal is approved, the information received will be addressed in a subsequent Final Finding and Decision, if one is issued.

Access To, Within, and Beyond Project Area: Access to the project area is from mile 96.1 Parks Highway eastward on E. Montana Creek Rd. for a little more than one mile to the junction with S. Dog Sled Dr. which is at the section corner of sections 4, 5, 8, and 9 next to the northwest corner of the project area. All lots will have direct access from MSB maintained S. Dog Sled Dr. or via 50-foot wide SLEs. General public access through the proposed subdivision eastward will be provided by one or more 60-foot wide public access easement(s) to RST 536 Montana Loop (dog mushing) Trail which will remain as presently located. The 50' wide section-line easements along the north and west boundary of the proposed subdivision will also remain for public access to state lands beyond the proposed subdivision. The project area is within the platting authority of the MSB, and approval of platting actions and dedication of right-of-ways will require separate processes and public notices through the MSB.

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 body of water or waterway is a navigable or public waterway 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*.

DMLW is not aware of any public, navigable, or anadromous water bodies within or adjoining this project area.

Easements, Setbacks, and Retained Lands: Parcels may be subject to a variety of easements, setbacks, and retained lands, and these will be identified on the subdivision plat and included in related informational documents. Approval of platting actions will require separate processes and public notices through the MSB. Final width and

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location of easements and reservations will be determined as part of the platting process.

Parcels and subdivision design may be subject to a variety of reservations or restrictions where appropriate, such as:

- public right-of-way and utility easements along designated parcel boundaries;
- standard 100' wide public access easement along RST trails;
- a 50-foot-wide public section-line easement, identified in *AS 19.10.010 and as listed in 11 AAC 51.025, Section-line easements, Editor's note7*, on each side of surveyed or protracted section lines on State-owned land, unless formally vacated under *AS 19.30.410 and 11 AAC 51.065*; such public ROW easements remain between sections 4 and 9 and between sections 8 and 9 which bound portions of this project;
- a 50' building setback from wetland areas;
- a 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 direct line-of-sight easement from the control station to an azimuth mark or other control monument;
- 60' wide public access easement(s) to be located through one or more portions of the proposed subdivision;
- a 10' wide screening strip of native vegetation along S. Dog Sled Dr., and
- Any additional setbacks and restrictions as required by MSB subdivision code.

Where appropriate, reservations and restrictions will be depicted on the plat and described in plat notes.

Hazardous Materials and Potential Contaminants: During field inspection on May 20, 2013 DMLW Staff did not observe any hazardous wastes, spills, or other potential contaminants within the area. There are no known environmental hazards present within the project area; however, the State makes no representations and no warranties, express nor 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 bid or application submittal.

DNR DMLW recognizes there are potential 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. Given the high degree of interest from both the legislature and citizens in sale of State-owned land, DNR DMLW is of the opinion that the benefits outweigh the potential risks.

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Survey, Platting, and Appraisal: After evaluating agency and public commentary, physical conditions of the land, and access issues, DNR DMLW proposes to offer the property for sale. In order to offer the property, a combination of survey, subdivision, or plat action may be required. This proposed project area is located within the MSB, and therefore survey and platting will be completed to the relevant subdivision standards.

The MSB's planning requirements provide for separate public notice periods and processes for platting actions within the Borough. These additional opportunities for public involvement occur after a Final Finding and Decision if this proposed primary action is approved and the project moves forward.

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

Part of the initial and advanced research, study, analysis, and preparation that goes into a PD document includes consideration of economic factors. Utilizing market data prepared by DNR qualified professional appraisers under *AS38.05.840(b)*, working directly with LSCAS and DNR Survey Section staff, potential economic return under more than one scenario of sale was evaluated. Market analysis to determine economic feasibility of a project is an ongoing process, and any contribution of meaningful, pertinent information is always welcome. Since it commonly takes several years for a project to be identified for possible action, processed, and finally qualified for offering, applying *AS 38.05.840* ensures that current market conditions are addressed in order to obtain a realistic minimum bid for the sale of state lands taking into account such factors as price, value, and expenses. It is not unusual for state parcels to be released by multiple public offerings over more than one season; sale of only several lots at a time in a given location will thus mitigate "flooding" the market all at once. The two year appraisal requirement must still be followed.

VII. Agency Comments

Communication and handling of considerations offered by a variety of units within the Division of Mining, Land and Water have been incorporated into the preparation of this preliminary decision document. Statewide agency review was conducted from November 6, 2013 through December 13, 2013. Comments pertinent to this proposed action received from multiple agencies during agency review have been considered and addressed in the following paragraphs. 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.

Mental Health Trust Land Office (MHTLO) Comment

"...the Alaska Mental Health Trust Land Office has no objection to the proposed Dog Sled Subdivision within S023N004W09..."

LSCAS Response

The comment is appreciated.

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Division of Oil and Gas (DOG) Comment

“Currently there are no authorizations or pending applications for exploration licenses or oil and gas leases in the vicinity of the proposed subdivisions. However, State-owned lands in the area are available for exploration licensing under the Division of Oil and Gas Exploration License Program.” Additional comments were made with the standard recommendation for LSCAS to, “... make potential bidders aware the State reserves oil, gas, coal, minerals, fissionable material, geothermal resources, and fossils ...” as well as reserves the right to enter, explore, develop, and produce such resources in or upon lands offered for sale.

LSCAS Response

The comment on the current authorization status is appreciated. It is standard procedure to include for public information a description of the potential for various kinds of mineral exploration, including oil and gas, and associated implications, in the auction brochure and other items regarding the land sale offering. Also see discussion above under Title and at Reservation of Mineral Estate.

State Pipeline Coordinator’s Office (SPCO) Comment

After review and consultation with other state agency, SPCO “...has no concerns about the proposed projects. ... the subdivision projects are outside the area considered for the ASAP [Alaska Stand Alone Pipeline] alignment. ... There are no other AS 38.35 pipeline rights-of-way or proposed AS 38.35 pipeline applications in the area.”

LSCAS Response

The comment is appreciated.

Division of Parks and Outdoor Recreation (DPOR) Comment

“The Division of Parks & Outdoor Recreation has no objection to the proposed land disposal outlined in ADL 231738 Dog Sled Subdivision.”

LSCAS Response

The comment is appreciated.

Department of Environmental Conservation (DEC) Comment

“No comment from DEC.”

LSCAS Response

The reply is appreciated.

Division of Forestry (DOF) Comment

“After reviewing ... ADL 231738, the Division of Forestry does not have any concerns with proceeding ... and has no comments.”

LSCAS Response

The reply is appreciated.

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Upper Susitna Soil and Water Conservation District (USSWCD) Comment

“The district has reviewed your ,, information and in general finds that this proposed subdivision appears to not create any major conservation concerns for our district.” Several positive observations regarding the proposed subdivision location, access, size, and character were also included.

LSCAS Response

The comment is appreciated.

Division of Agriculture (DOA) Comment

“This proposed land sale project includes soils appropriate for agriculture development. ... The public has made requests for smaller sized (10-20 acre) parcels of state lands with agriculture/gardening potential.” Configuring and offering such sized lots would help meet this sort of need.

LSCAS Response

The identification of Class III soils is a favorable feature of this site, and LSCAS asserts that it would be in the best interest of the state to offer a combination of smaller size lots (3-7 acres) as well as several in the size range suggested for this project.

Department of Fish & Game (ADF&G) Comment

The department has reviewed the proposed subdivision. “RST 536, the Montana Loop Trail, goes through ADL 231738 and a 100-foot wide right of way should be reserved to protect use of this trail. Section line easements should also be reserved and maintained.”

LSCAS Response

The RST 536 issue and section-line easements (SLE) have been researched and documented in the project file. Development design will reserve a standard 100-foot wide public trail easement along that portion of RST 536 running through the subdivision, and the statutory 50-foot wide SLEs will be retained and designated on subdivision plats. These topics have also been noted under Access To, Within, and Beyond Project Area section and the *Easements, Setbacks, and Retained Lands* subsection above. While DMLW has no intention to vacate the existing SLEs, there is no obligation or means to “maintain” them other than to acknowledge their use for public access.

Division of Geological and Geophysical Surveys (DGGS) Comment

Both the mineral and engineering geology sections provided agency review and concluded that, “Overall ‘no comment’ would be an appropriate response.”

LSCAS Response

The reply is appreciated.

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Department of Commerce, Community and Economic Development (DCCED) Comment
“We have no comments.”

LSCAS Response

The reply is appreciated.

Other Agencies: The following agencies or groups were included in the agency review but did not submit comments:

- Department of Transportation and Public Facilities.
- University of Alaska, Anchorage; and
- Alaska Railroad

VIII. Submittal of Public Comments

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

Pursuant to *AS 38.05.945 Notice*, DNR will issue public notice inviting comment on this Preliminary Decision and related action. If commenting on more than one proposed action, separate comments should be submitted for each.

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.

All timely, written comments received by DNR DMLW LSCAS will be considered. If analysis of timely written comments received in response to this notice indicates the need for significant changes to the Preliminary Decision or related action, if any, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to the proposal will not be considered significant changes requiring additional public notice.

If the proposal is approved and no significant change is required, the Preliminary Decision, including any deletions, minor changes, and summary of comments and the DMLW responses, will be issued as a subsequent Final Finding and Decision without further notice. The related action, if any, will be proposed concurrently. Approval of the primary and related actions will normally be in conjunction with one another.

Only persons from whom DNR DMLW LSCAS receives timely, written comment during the identified comment period will be recognized as eligible to exercise appeal or reconsideration rights on the Final Finding and Decision. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at <http://dnr.alaska.gov/mlw/landsale/> and sent with an explanation of the appeal or reconsideration process to any party who provides timely written comment.

**DEADLINE TO SUBMIT WRITTEN COMMENT IS
5:00 PM, TUESDAY, APRIL 1, 2014**

Preliminary Decision

for a Proposed Land Offering in the Matanuska-Susitna Borough

Dog Sled Subdivision – ADL 231738

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IX. Alternatives and Discussion

DNR DMLW is considering the following alternatives:

Alternative 1: (Preferred) Survey and plat a subdivision consisting of up to 20 parcels varying in size, and offer those parcels for sale. The development and offering of the parcels may be done by multiple sales over time.

Alternative 2: Do not subdivide the project area prior to offering. Offer the project area as a single, 96-acre parcel.

Alternative 3: (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, in part, that. “it is the policy of the State to encourage the settlement of its land...” Furthermore, *AS 38.05.045 Generally [Sale of Land]* has placed this charge with DNR, and the state legislature has provided funding to administer this charge.

Alternative 1 provides a method for DNR to help meet the obligations laid out in the Constitution and statute. Alternative 1 maximizes public interest. This offering provides an opportunity for the public to obtain land for settlement in a desirable area in close proximity to excellent outdoor recreation; also lots are mostly situated on good agriculture soils amenable to gardening. A subdivision will allow DNR DMLW to create a design that will maximize use of the land and provide a greater number of the public an opportunity to purchase land within this relatively small area of contiguous level ground that is suitable to higher settlement density. Due to the unique amenities of the area, its location relative to the communities of Willow and Talkeetna, and the existence of near-by residential property, the project area is best suited to subdivision prior to offering.

Alternative 2 does not maximize public interest. Not subdividing the project area prior to offering would limit the offering to only one purchaser. Alternative 2 is not preferred.

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 and legislative obligations. Not offering the project area would deny Alaskans the opportunity to obtain land in an area that is suited to settlement.

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

Recommendation follows.

Preliminary Decision

for a Proposed Land Offering in the Matanuska-Susitna Borough
Dog Sled Subdivision – ADL 231738
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X. Recommendation

This Preliminary Decision for the proposed primary and related action described throughout this document and its attachments is consistent with the overall management intent for State-owned land; potential changes to public resources and the public interest as a result of the proposal are acceptable; and these proposed actions appear to be in the best interest of the State. It is hereby recommended to proceed to public notice.

This is a Preliminary Decision and evaluation of subsequent public review may result in changes to the preferred alternative or disapproval of the proposed primary action and/or the accompanying related action. If the decision is approved, any related action will accompany and precede any Final Finding and Decision issued.

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

2/18/2014
Date

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

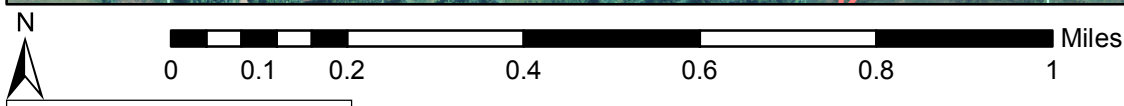
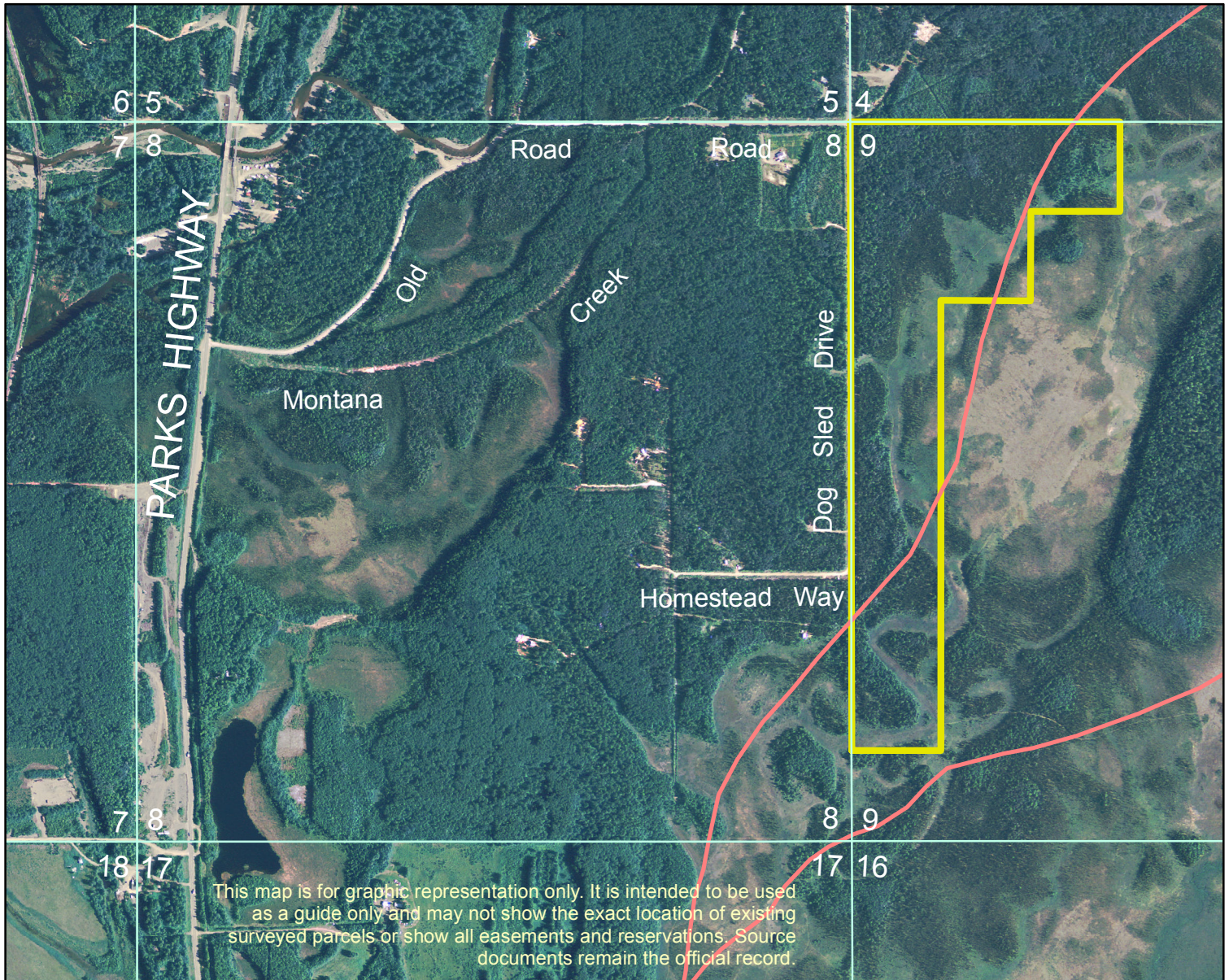
2/18/2014
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DOG SLED SUBDIVISION ADL 231738

Attachment A: Vicinity Map

to the Preliminary Decision for a
Proposed Land Offering in the
Matanuska-Susitna Borough

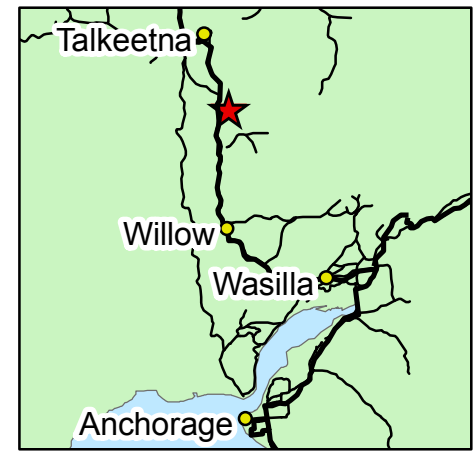
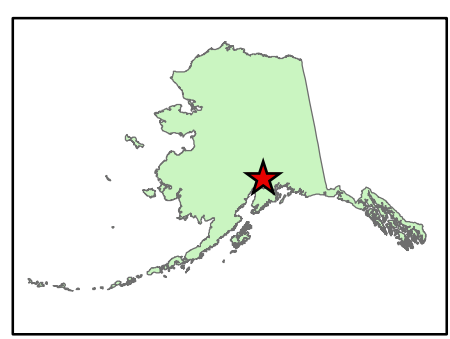


JWT 1/23/2014

Legend

- Section Lines
- RST 536
- ADL 231738

T23N, R4W, Seward Meridian



USGS QUAD 1:63,360
 USGS Talkeetna (A-1) SE Quadrangle
 For more information contact:
 John W. Thomas, Adjudicator
 Department of Natural Resources
 Division of Mining, Land, and Water
 Land Sales & Contract Administration Section
 Phone 907 269-8591
 Fax 907 269-8916
 Email subdivision.sales@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 Matanuska-Susitna Borough
Dog Sled Subdivision – ADL 231738**

Offering Information	
Proposed Number of Parcels	Up to 20 parcels
Proposed Parcel Size	Varying in size 3 acres or larger
Proposed Related Actions	Mineral Order (Closing)
Project Area	
Location	~ 65 air miles north of Anchorage and ~ 16 air miles south of Talkeetna, within Section 9, Township 23 North, Range 4 West, Seward Meridian, ~ 1 mile east of the Parks Hy
Project Area Acreage	~96 acres
USGS Topography Map	USGS Talkeetna (A-1) SE Quadrangle
Legal Description	Portion of the W $\frac{1}{2}$ Section 9, Township 23 North, Range 4 West, Seward Meridian. See Section VI, <u>Legal Description</u> for details.
Title	Patented State-owned land
Area Plan and Classification	Southeast Susitna Area Plan (SSAP) adopted April 2008; Management Unit K-10 within Kashwitna Region; lands are classified Settlement.
Mineral Orders	None. Mineral Order (Closing) will be established prior to offering.
Physical Characteristics	
Access, Including RS2477 trails	Ground access is on MSB maintained roads east of mile 96.1 Parks Hy to S. Dog Sled Dr. along the west boundary of the project. RST 536, Montana Loop (dog mushing) Trail runs through or near most of the lots. Section-line easements also afford public access to and beyond the proposed subdivision project area. See Section VI, subsection <u>Access To, Within, and Beyond Project Area</u> for more discussion.
Terrain and Major Features	Information from field inspections, imagery, SSAP resource table, and USDA Customized Soil Report: generally flat terrain (<3% slope) with a slight rise running close to and parallel to S. Dog Sled Dr., and interspersed flat wetlands and spruce forest on the east portions and beyond.
View	Possible view of Talkeetna Mountains to the east across open areas

Attachment B: Area Data Summary Table

to the Preliminary Decision and its Related Action
 for a Proposed Land Offering in the Matanuska-Susitna Borough
 Dog Sled Subdivision – ADL 231738
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Climate	DCCED data on Talkeetna & Willow: January temperatures from -33° to +33°F, July 42° to 83°F; annual rainfall varies 16 – >28 inches with 48 – 150 inches of snowfall.
Soils	54% of the project area consists of Nancy silt loam on 0-3% slope; over 34% of the project area is characteristic wetland Histosols; 12% of the project area is Cryaquepts on 0-7% slope. Division of Agriculture reported over 58% of the project area has Class – III soils, appropriate for agriculture/gardening. Known soil concerns will influence the project’s design and feasibility, and such features will be described in the project file and offering materials where relevant.
Vegetation	Densely forested mixed spruce-birch uplands bordering a wetlands complex; field inspection of May 2013 revealed no discernable evidence of wildfire on the site.
Water Source	Common source of water for residents in this area is by personal well or hauled containers; water quality is unknown. DEC requirements must be followed.
Anadromous Waters	None identified
Local Management Information	
Fire Management Option	Fire management option(s) from the <i>Alaska Interagency Fire Management Plan</i> : Full. See discussion under Section VI, <u>Physical Characteristics and Hazards</u> , <i>Fire Hazards</i> subsection.
Game Management Unit	ADF&G game management unit 14B (Central & Southwest Region)
Local Authority	The Matanuska-Susitna Borough (MSB) currently exercises authority for planning, platting, taxes, and zoning for the project area,
Flood Zone	FEMA Flood Information Rate Map does not designate flood hazard for this project area. See Section VI, <u>Physical Characteristics and Hazards</u> , <i>Flood Hazard</i> for more discussion.
Utilities	This area is currently served by Matanuska Electric Association (MEA), and power lines exist along S. Dog Sled Dr. boundary.
Waste Disposal	All on-site waste water disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation; MSB landfill sites exist at points north and south along the Parks Hy.
Setbacks, Reserved Areas, Easements, and Conditions	
Improvements	Prior to construction of any structure or waste disposal system, contact the platting authority for any permits or for required setbacks from water bodies, lot lines, and easements. Any intrusion onto wetlands must meet Corps of Engineers requirements.
Building Setbacks	Parcels are subject to SSAP guidelines; appropriate federal, state, and MSB protection guidelines will be consulted during the decision process to determine additional setbacks and other restrictions. See below and <i>Easements, Setbacks, and Retained Lands</i> subsection for more details.

Attachment B: Area Data Summary Table

to the Preliminary Decision and its Related Action
for a Proposed Land Offering in the Matanuska-Susitna Borough
Dog Sled Subdivision – ADL 231738
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Public Access and Utility Easements	Parcels may be subject to the following: <ul style="list-style-type: none">• public right-of-way and utility easements along designated parcel boundaries;• standard 100' wide public access easement along RST trails;• a 50-foot-wide public access easement on each side of surveyed or protracted section lines on State-owned land, unless formally vacated; such public ROW easements remain between sections 4 and 9 and between sections 8 and 9 which bound portions of this project;• a 50' building setback from wetland areas;• a 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 direct line-of-sight easement from the control station to an azimuth mark or other control monument;• 60' wide public access easements to be located through one or more portions of the proposed subdivision;• a 10' wide screening strip of native vegetation along S. Dog Sled Dr., and• Any additional setbacks and restrictions as required by MSB subdivision code.
Public or Navigable Water Bodies	None. If any water bodies are deemed public or navigable within the project area prior to final platting, DNR DMLW will comply with statutory requirements to provide access to and along said water bodies.
Additional Information	
Native Regional Corporations	CIRI – Cook Inlet Region Corporation
Villages and Tribal Councils	Knik, Montana Creek, Caswell
Oil and Gas Activity	None
Mining Activity	None

Attachment B: Area Data Summary Table

to the Preliminary Decision and its Related Action
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Comments	<p>Lots are mostly situated on good (Capability Class - III) agriculture soils amenable to gardening; an active RS2477 (mainly dog mushing) trail traverses the site; state lands designated Water Resources adjoin the project on the east; the project has excellent road access, is convenient to local rural communities and their amenities, and is handily located only a mile off the Parks Hy; the area is far from being fully developed, yet there are some existing residents in the vicinity; the site is situated in a beautiful area of the Susitna Valley know for excellent hunting, fishing, dog mushing, snowmachining, and other outdoor activities; currently, there are no natural gas or sewer services for this area but electrical power lines and underground telephone lines exist along S. Dog Sled Dr. SSAP Map 1 depicts multiple thousands of acres of additional public state land in neighboring townships within the Kashwitna Region and adjoining Kashwitna-Willow Uplands Region, all of which provide “generally allowed uses” for the public. See also above Section VI, subsection on <u>Background</u>. Interested parties are encouraged to carefully study this PD, the Final Finding & Decision, if issued, and offering brochure and related materials, and to personally investigate the area of interest prior to participating in any future offering.</p>
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ATTACHMENT C: PUBLIC NOTICE

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

PUBLIC NOTICE

Inviting Public Comment on a
Proposed State Land Sale in the Matanuska-Susitna Borough
Dog Sled Subdivision – ADL 231738
a Preliminary Decision and its Proposed Related Action:
Mineral Order (Closing)

COMMENT PERIOD ENDS 5:00PM, TUESDAY, APRIL 1, 2014

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 sold in multiple offerings over time.

Location: ~ 65 air miles north of Anchorage and ~16 air miles south of Talkeetna, ~1 mile east of the Parks Hy

Project size: ~96 acres proposed development area, up to 20 parcels, each at least 3 acres in size

To obtain the notice, Preliminary Decision, or instructions on submitting comment, go to <http://dnr.alaska.gov/mlw/landsale/> 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 (PIC) on State work days, M-F, 10AM - 5PM: Anchorage, 907 269-8400 (TDD for the hearing impaired: 907 269-8411); Fairbanks, 907 451-2705 (TDD: 907 451-2770); or Southeast Land Office, Juneau, 907 465-3400 (TDD: 907 465-3888); or <http://dnr.alaska.gov/commis/pic/>. **Those requiring special assistance must make request to the PIC in Anchorage no later than 4:00 PM, Monday, March 24, 2014.**

Pursuant to AS 38.05.945 Notice, public comment is invited on all actions proposed in this notice; separate comments should be submitted on each action. **The deadline for public comment is 5:00PM, TUESDAY, APRIL 1, 2014.** Only persons from whom DNR DMLW LSCAS receives written comment by this deadline will be recognized as eligible to file or exercise appeal or reconsideration rights on the Final Finding and Decision. Written comment or inquiries must be submitted and received by fax, email, or postal mail at: fax 907 269-8916; subdivision.sales@alaska.gov; or DNR Land Sales, 550 W. 7th Ave., Suite 640, Anchorage, AK 99501. For questions, call DNR Land Sales: 907 269-8594.

If no significant change is required, the Preliminary Decision (PD), including any minor changes and a summary of comments and responses, will be issued as the Final Finding and Decision (FFD) without further notice. A copy of the FFD will be sent to any persons who commented timely on the PD. DNR reserves the right to waive technical defects in this notice.