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

# FINAL FINDING AND DECISION

Proposed Reoffer of 2 Remote Recreational Cabin Sites Project Areas
Tatalina II Remote Recreational Cabin Sites – ADL 417480
Dillinger River II Remote Recreational Cabin Sites – ADL 229339
AS 38.05.035 (e), AS 38.05.045, and AS 38.05.600

This Final Finding and Decision complements and updates the Preliminary Decision dated April 7, 2014 for the proposed action(s) incorporated by reference herein.

Attachment I: Preliminary Decision

#### I. Recommended Action(s)

As detailed in Attachment I: Preliminary Decision, the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW) recommends reoffering for sale State-owned land for private ownership within the Tatalina II project area (ADL 417480) and the Dillinger River II project area (ADL 229339).

#### Tatalina II

DNR DMLW proposes to reoffer up to 31 authorizations to stake parcels ranging from 5 to 20 acres in this project area, for a maximum of 620 acres sold through this offering under AS 38.05.600 Remote Recreational Cabin Sites.

#### Dillinger River II

DNR DMLW proposes to reoffer up to 30 authorizations to stake parcels ranging from 5 to 20 acres in this project area, for a maximum of 600 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.

After the staking period closes, DNR DMLW may also identify and survey additional parcels, known as administrative parcels, within either staking area. Administrative parcels are not restricted to the minimum and maximum acreage listed above. Parcels that are staked but later relinquished, terminated, or expired before converting to sale, and parcels administratively created by DNR DMLW, will be offered at auction or by another method under *AS 38.05.045 Generally [Sale of Land]*. The number of staked and additional surveyed parcels will not exceed the total number of authorizations offered, or the total number of acres to be conveyed.

#### II. Authority

The State of Alaska, Department of Natural Resources (DNR) has the authority under AS 38.05.045 Generally [Sale of Land] to sell State-owned land if, on preparation and issuance

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of a written finding as directed by AS 38.05.035 (e) Powers and Duties of the Director, it is determined to be in the best interest of the State. The Land Sales and Contract Administration Section of the Division of Mining, Land, and Water (DMLW) is delegated authority to offer parcels under 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.

Under AS 38.05.045 Generally [Sale of Land], DNR DMLW is also authorized to offer, through other methods of sale, any additional administrative parcels as well as any staked parcels later relinquished, terminated, or expired during the staking and leasing periods.

### **III. Traditional Use Finding**

The proposed project areas are within the Unorganized Borough and are therefore subject to a traditional use finding in accordance with *AS 38.05.830 Land Disposal in the Unorganized Borough*. The Preliminary Decision indicated no known issues for the Dillinger River II project area, other than the potential for an increase in remote recreational activities within the project area. The Preliminary Decision noted the same possibility for the Tatalina II project area, as well as noting that fish are an important subsistence resource in this area. Protection of access routes within and through the project area, as well as a 200-foot buffer along the Tatalina River for protection of fish habitat will mitigate the impact of the disposal on this traditional use. No new information was provided during the comment period.

#### IV. Public Notice and Response to Comments

Pursuant to *AS 38.05.945* Notice, public notice inviting comment was posted on the State of Alaska Online Public Notices website at <a href="http://notes.state.ak.us/pn/">http://notes.state.ak.us/pn/</a> and the Land Sales website at <a href="http://landsales.alaska.gov">http://landsales.alaska.gov</a> from April 7, 2014 through May 14, 2014. A media release was prepared and sent to statewide media on April 7, 2014. A request for Public Service Announcement was sent to local radio stations on April 14, 2014. Additionally, public notices with a request to post for 30 days were mailed to libraries and post offices in the general area of the proposed offerings. Notices were also mailed to local community associations, cities, regional and village corporations; as well as adjacent land owners, permit holders, or managers of record. Notice was also posted to the Land Sales Facebook page and twitter. The public notice stated that written comments were to be received by 4:00pm Wednesday, May 14, 2014 in order to ensure consideration and to be eligible to appeal. Two agencies submitted timely comments on the proposed action, which are addressed in the paragraphs below.

A summary of the public comments received and DNR DMLW's response follows.

Department of Natural Resources, Division of Parks and Outdoor Recreation (DPOR), Office of History and Archaeology (OHA) Comment: OHA stated that the Alaska Heritage Resources Survey (AHRS) database does not indicate any recorded cultural resources within the Tatalina II project area. OHA mentioned that a prominent hill feature within the project area is of moderate to high archaeological potential and was recommended for survey during the initial offering in 2003. They noted that the landform has already been conveyed for private use and/or disturbed by material sale operations since that recommendation was given. They stated that the remainder of the offering area is of relatively low potential.

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They encouraged LSCAS to follow through with their recommendations for archaeological survey in the future or to refrain from conveying the portions noted as high potential until a survey can be conducted. They noted that only a small portion of the State has been surveyed for cultural resources and therefore there is a possibility for unidentified resources to be located within the project area. They ask that their office be notified in the event of inadvertent discoveries of cultural resources during the duration of the project so they can evaluate whether the resources should be preserved in the public interest.

<u>DNR DMLW LSCAS Response</u>: Thank you for your comments. In a follow up conversation with OHA staff, LSCAS staff indicated the desire to continue to work closely with OHA and to consider reserving sites with high archaeological potential when survey may not be practical.

Alaska Department of Fish & Game (ADF&G), Division of Wildlife Conservation (DWC), Access <u>Defense Comment</u>: ADF&G indicated that they did not have any additional comments or concerns regarding either project area.

<u>DNR DMLW LSCAS Response</u>: Thank you for your comments.

#### V. Modifications to Decision and/or Additional Information

The recommended action has not been modified from the original proposed action(s) described in Attachment I: Preliminary Decision.

The Preliminary Decision erroneously stated that the Dillinger River II project area is located in DNR's Northern Region. The project area is actually located in DNR's Southcentral Region.

Two additional comments were received during the agency review for Dillinger River II and were erroneously left out of the Preliminary Decision. These comments and DNR DMLW's response follow.

<u>DNR Division of Oil and Gas (DOG) Comment</u>: Currently there are no DOG authorizations or pending applications for exploration licenses or oil and gas leases in the vicinity of the proposed land disposal. However, State-owned lands in the area are available for exploration licensing under the Division of Oil and Gas Exploration Licensing Program. Details are available at <a href="http://dog.dnr.alaska.gov/Programs/ExplorationLicensing.htm">http://dog.dnr.alaska.gov/Programs/ExplorationLicensing.htm</a>.

As in the past, DOG recommends LSCAS continue to make potential applicants aware the State reserves oil, gas, coal, minerals, fissionable material, geothermal resources, and fossils that may be in or upon the land that it sells in accordance with Section 6(i) of the Alaska Statehood Act and Alaska Statute 38.05.125. The State also reserves the right to enter the land for the purposes of exploring for, developing, and producing these mineral resources, and the current mineral order closing the area to mineral entry will not apply to leasable mineral resources.

DOG provided additional information at the time of Public Notice for the Preliminary Decision to indicate that there was no change since the time of Agency Review regarding the status of the Exploration License for the Southcentral Region.

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<u>DNR DMLW Response</u>: Thank you for your comments. LSCAS will make potential bidders aware of this information via the RRCS offering brochure or other land sale offering brochure.

<u>DNR Division of Parks and Outdoor Recreation (DPOR)</u>, Office of History & Archaeology (OHA) <u>Comment</u>: State law requires all activities requiring licensing or permitting from the State of Alaska to comply with the Alaska Historic Preservation Act, which prohibits the removal or destruction of cultural resources (historic, prehistoric, and archaeological sites, locations, remains, or objects) on land owned or controlled by the state. This also includes reporting of historic and archaeological sites on lands covered under contract with or licensed by the state or governmental agency of the state.

The Alaska Heritage Resources Survey (AHRS) database indicates that there are no recorded cultural resources within the proposed RRCS offering. However, please note that only a very small portion of the State has been surveyed for cultural resources and therefore, the possibility remains that previously unidentified resources may be located within the proposed offering area. As such, should inadvertent discoveries of cultural resources occur during the duration of the project, our office shall be notified so that we may evaluate whether the resources should be preserved in the public interest (as specified at Section 41.35.070[d]).

<u>DNR DMLW Response</u>: Thank you for your comments. LSCAS will make potential bidders aware of this information via the RRCS offering brochure or other land sale offering brochure.

Recommendation and Approval of the Final Finding and Decision follow.

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### VI. Final Finding and Decision

The Department recommends proceeding with the proposed action as described in Attachment I: Preliminary Decision and as supplemented, amended, changed, or deleted herein. This action is undertaken under relevant authorities. Offering these parcels for sale will help meet the State's goal to provide land for settlement for sale to the public and raise revenue for the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with *AS 38.05.945 Notice* and comments received were considered. The project file has been found to be complete and the requirements of all applicable statutes have been satisfied. The recommended actions are consistent with constitutional and statutory intent for State-owned land.

Under the relevant authorities, it is hereby found to be in the best interest of the State of Alaska to proceed with the recommended action(s) as described and referenced herein.

/S/	June 4, 2014
Recommended: Kathryn Young, Section Manager Land Sales and Contract Administration Section Division of Mining, Land, and Water Department of Natural Resources, State of Alaska	Date
/s/ Approved: Brent Goodrum, Director	June 4, 2014 Date
Division of Mining, Land, and Water  Department of Natural Resources, State of Alaska	
Department of Natural Resources, State of Alaska	

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#### **Appeal Provision**

A person affected by this decision who provided timely written comment or public hearing testimony on this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to Joseph R. Balash, Commissioner, Department of Natural Resources, 550 W. 7<sup>th</sup> Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 907.269.8918; or sent by electronic mail to <a href="mailto:dnr.appeals@alaska.gov">dnr.appeals@alaska.gov</a>. If no appeal is filed by that date, this decision goes into effect as a final order and decision on the 31<sup>st</sup> day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

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

# PRELIMINARY DECISION

of a

Proposed Reoffer of 2 Remote Recreational Cabin Sites Project Areas
Tatalina II – ADL 417480
Dillinger River II – ADL 229339

AS 38.05.035(e), AS 38.05.045, and AS 38.05.600

## COMMENT PERIOD ENDS 4:00 PM, WEDNESDAY, MAY 14, 2014

#### I. Proposed Action

<u>Primary Proposed Action(s)</u>: The State of Alaska, Department of Natural Resources, Division of Mining, Land, and Water issues this Preliminary Decision as an update and complement to prior Final Finding and Decisions that originally authorized the sale of two Remote Recreational Cabin Sites (RRCS) project areas. This document and the following attachments describe the details of the project areas and this proposal, with supporting documentation retained in the case files.

Attachment A: Map of Project Area Locations

Attachment B: Public Notice

#### Tatalina II

Located within the Department's Northern Region approximately 20 miles south of the intersection of the Elliott and Dalton Highways and 50 miles from Minto via the Elliott Highway, the Tatalina II project area is within Sections 5-8, Township 6 North, Range 3 West; Sections 28-29 and Sections 31-33, Township 7 North, Range 3 West; and Section 1, Sections 12-14, and Section 24, Township 6 North, Range 4 West, all of the Fairbanks Meridian; excluding ASLS 2003-44 and ASLS 2007-47. The project area is within the Unorganized Borough and encompasses approximately 6,100 acres. See Attachment A: Area Map for a graphic depiction of the approximate location of the project area.

A Final Finding and Decision approving the offer of this project area was issued April 30, 2003. Pursuant to the management intent contained within the Yukon Tanana Area Plan (YTAP), adopted January 2014, and related Classification Order No. NC-10-005, which classified the area as Settlement, the Division proposes to reoffer this project area for up to 31 authorizations to stake parcels ranging from 5 to 20 acres in this project area, for a maximum of 620 acres sold through this offering under *AS 38.05.600 Remote Recreational Cabin Sites*.

#### Dillinger River II

Located within the Department's Northern Region approximately 65 miles east southeast of McGrath and west of the South Fork Kuskokwim River and Farewell Lake, the Dillinger River II project area is within Sections 1-36 of Township 29 North, Range 22 West, Seward Meridian and Sections 1-17, 21-28, and 34-36 of Township 29 North, Range 23 West,

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Seward Meridian; excluding ASLS 2007-7. The project area is within the Unorganized Borough, encompassing approximately 38,200 acres. See Attachment A: Area Map for a graphic depiction of the approximate location of the project area.

A Final Finding and Decision approving the offer of this project area was issued March 17, 2006. Pursuant to the management intent contained within the Kuskokwim Area Plan (KAP), adopted May 1988, and related Classification Order No. SC-88-001, which classified the area as Settlement, the Division proposes to reoffer this project area for up to 30 authorizations to stake parcels ranging from 5 to 20 acres in this project area, for a maximum of 600 acres sold through this offering under *AS 38.05.600 Remote Recreational Cabin S*ites.

The total of the disposals authorized under this proposal will not exceed the maximums stated in the Final Finding and Decisions issued for Tatalina and Dillinger River in 2003 and 2006, respectively. Additional offerings that could increase the density of privately-owned parcels within or near either project area may be authorized through separate future proposals, authorized and conducted as required under statute and regulation. As such, the Division makes no guarantees that either project area will remain remote or that settlement will be dispersed indefinitely and purchasing a parcel created through this offering does not provide any rights to the buyers to deny future disposals and developments.

Notice of the public comment period will be posted in accordance with AS 38.05.945 Notice, for at least 30 consecutive days. The public is invited to comment on the proposed action. See **Section VII. 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 the proposed action is approved, the Department will issue a Final Finding and Decision.

#### II. Method of Sale

AS 38.05.600 Remote Recreational Cabin Sites authorizes lease and sale of Remote Recreational Cabin Sites. 11 AAC 67.800 - 11 AAC 67.845 Remote Recreational Cabin Sites and other related regulations allow the Division to offer authorizations to select and stake Remote Recreational Cabin Sites in designated areas. The Division offered this program to Alaskans annually from 2001 through 2010 and offered biennially beginning in 2012.

Authorizations will be awarded by a 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.

After the staking period closes, the Division may also identify and survey additional parcels in a project area, described as administrative parcels. Additionally, staked parcels later relinquished, terminated, or expired before converting to sale may be surveyed for future offering. Such additional, administrative parcels are not restricted to the size requirement for staked parcels. However, the total number of acres and total number of parcels will not exceed the maximum number specified for sale by this proposal. These administrative parcels may be offered at public auction or by another method of sale under *AS 38.05.045 Generally [Sale of Land]*.

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Offering administrative parcels under AS 38.05.045 Generally [Sale of Land] allows the Division to offer its surveyed parcels under a uniform set of statutes, administrative regulations, and policies in a statewide offering of varied parcels. Successful buyers will purchase the property at a minimum price established by its appraised value, which takes into account the benefits of the surveying and platting. Without this change in method of sale, sales of parcels under AS 38.05.600 Remote Recreational Cabin Sites and 11 AAC 67.815 (b) Offering Remote Recreational Cabin Sites would require the purchaser to reimburse the Division for the cost of surveying, platting, and appraising the site within 30 days of being notified of a successful purchase at public auction, in addition to the usual minimum down payment. This requirement creates an unrealistic burden upon purchasers and hinders the marketability of the property.

Additional surveyed parcels may be offered at auction or by another method of sale, which will be announced pursuant to *AS 38.05.945 Notice*. The notice will describe availability of land sale brochures providing procedures and parcel information.

## III. Authority

The State of Alaska, Department of Natural Resources has the authority under *AS 38.05.045 Generally [Sale of Land]* and *AS 38.05.600 Remote Recreational Cabin Sites* to sell Stateowned 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.* 

#### IV. Administrative Record

The project files for the Tatalina II project area, ADL 417480, and the Dillinger River II project area, ADL 229339, constitute the administrative record for this action. Also incorporated by reference are:

- Yukon Tanana Area Plan for State Lands (YTAP), adopted 2014, and associated land classification files;
- Kuskokwim Area Plan for State Lands (KAP), adopted 1988, and associated land classification files:
- Alaska Interagency Wildland Fire Management Plan, amended October 1998;
- 2013 Catalog of Waters Important for the Spawning, Rearing, or Migration of Anadromous Fishes; and
- 1979 Exploratory Soil Survey of Alaska.

#### V. Scope of the Decision

The scope of this proposal, under the statutes and regulations described in **Section III. Authority** of this document, is limited to the Division's proposal to reoffer State-owned land within the project areas for sale through a future, public Remote Recreational Cabin Sites offering or other method of sale. The Division proposes to reopen the areas for the described numbers of authorizations to stake parcels. The Division may also identify and survey additional

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parcels in a project area to be sold under AS 38.05.045 Generally [Sale of Land]. The Division does not intend to impose deed restrictions to control post-patent land use.

For the proposed action, both of the staking areas in this proposal have previously been through a complete decision process that included public notice and review. The Tatalina II staking area was first offered for staking in 2003. 62 authorizations within the project area were offered, for a maximum of 1,240 acres possible for disposal. 26 parcels were staked, and 5 administrative parcels were created, for a total of 31 parcels, occupying 454.5 acres. Of the original 62 authorizations, 31 authorizations and 785.5 acres remain. The Dillinger River II staking area was first offered in 2006. 50 authorizations within the project area were offered, for a maximum of 1,000 acres possible for disposal. 20 parcels were staked, occupying 208 acres, and no administrative parcels were created. Of the original 50 authorizations, 30 authorizations and 792 acres remain.

#### **VI. Description**

<u>Location</u>: The Tatalina II project area is located approximately 20 miles south of the intersection of the Elliott and Dalton Highways and 50 miles from Minto via the Elliott Highway. The Dillinger River II project area is located approximately 65 miles east southeast of McGrath and west of the South Fork Kuskokwim River and Farewell Lake. See Attachment A: Area Map for a graphic depiction of the approximate location of the project area.

Borough/Municipality: Both project areas are located within the Unorganized Borough and are subject to the State of Alaska platting authority.

Native Regional and Village Corporations: Doyon Limited is the regional corporation for both the Tatalina II and Dillinger River II project areas. As no villages are located within 25 miles of either project area, courtesy notification will be distributed to village corporations and councils in Nikolai and McGrath, all of whom may potentially pursue traditional uses within the Dillinger River II project area.

<u>Legal Description</u>: The Tatalina II project area, depicted in Attachment A: Area Map, encompasses approximately 6,100 gross acres within the Fairbanks Recording District and Fourth Judicial District:

- Township 6 North, Range 3 West, Fairbanks Meridian,
  - o Section 5, W1/2; and
  - Sections 6-8, all, excluding ASLS 2003-44 and ASLS 2007-47;
- Township 6 North, Range 4 West, Fairbanks Meridian,
  - Section 1, all, excluding ASLS 2003-44 and ASLS 2007-47;
  - Section 12-14, all, excluding ASLS 2003-44; and
  - Section 24, N1/2, N1/2SE1/4;
- Township 7 North, Range 3 West, Fairbanks Meridian
  - Section 28, SW1/4, excluding ASLS 2003-44;
  - Section 29, SE1/4, excluding ASLS 2003-44;

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- Section 31, that portion lying east of the Elliott Highway and USS 5194 and excluding ASLS 2003-44;
- Section 32, all, excluding ASLS 2003-44; and
- Section 33, W1/2, excluding ASLS 2003-44.

The Dillinger River II project area, depicted in Attachment A: Area Map, encompasses approximately 38,200 gross acres within the Mt. McKinley Recording District and Fourth Judicial District:

- Township 29 North, Range 22 West, Seward Meridian, the entirety of Sections 1-36, excluding ASLS 2007-7;
- Township 29 North, Range 23 West, Seward Meridian,
  - Sections 1-6, all, excluding ASLS 2007-7;
  - Sections 7-8, north of the South Fork Kuskokwim River, excluding ASLS 2007-7;
  - Sections 9-15, all, excluding ASLS 2007-7;
  - Section 16, north and east of the South Fork Kuskokwim River;
  - Section 17, east of the South Fork Kuskokwim River;
  - Section 21, north and east of the South Fork Kuskokwim River;
  - Sections 22-26, all, excluding ASLS 2007-7;
  - Section 27, north and east of the South Fork Kuskokwim River, excluding ASLS 2007-7;
  - Section 34, north and east of the South Fork Kuskokwim River, excluding ASLS 2007-7; and
  - o Sections 35-36, all.

#### Title:

#### Tatalina II

Information from Title Reports 5241A, 5241B and 5241C, current as of March 3, 2014, indicate the State of Alaska holds fee title to the land and mineral estate within the Tatalina II project area, excluding 28 parcels conveyed as a result of past State of Alaska land sales (ASLS 2003-44). Three parcels created by ASLS 2003-44 are currently owned by the state and may be available for reoffer in the future under a separate decision.

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. 50-88-0352 dated September 8, 1988, Patent No. 50-88-0362 dated September 15, 1988, Patent No. 50-93-0183, dated April 2, 1993, and Patent No. 50-88-0354, dated September 8, 1988. The lands are subject to standard federal reservations.

#### Dillinger River II

Information from Title Reports RPT-5239 and RPT-5240, current as of February 11, 2014 and February 13, 2014, respectively, indicate the State of Alaska holds fee title to

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the land and mineral estate within the Dillinger River II project area, excluding 19 parcels conveyed as a result of past State of Alaska land sales (ASLS 2007-7). One parcel created by ASLS 2007-7 is currently owned by the state and may be available for reoffer in the future under a separate decision.

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. 50-76-0162 dated April 16, 1976, General Selection 2170. The lands are subject to standard federal reservations.

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

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 are also 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 not made a navigability determination for waters within the affected townships for title purposes. There are no waters determined navigable within either project area.

Private parcels and State third-party interests will be depicted on staking maps in land sales brochures and enclosed in staking packets distributed to authorized stakers.

<u>Physical Characteristics and Hazards</u>: The following paragraphs describe the area's physical characteristics and hazards. File research and agency review were conducted to obtain this information. In addition, field inspection of the Tatalina II and Dillinger River II project areas were conducted in March 2003 and June 2006, respectively.

*Geologic Hazards*: Potential for seasonal flooding and erosion issues exists for parcels adjacent to streams for both areas.

#### Tatalina II

There is discontinuous permafrost within the project area; fine-grained soils may have significant ice content.

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#### Fire Hazards:

#### Tatalina II

Fires that were less than one acre in size each burned adjacent to the Tatalina II project area in 2002 and 2005. Additional fires occurred near the project area in 1953 (50 acres in size) and 1958 (1,550 acres).

#### Dillinger River II

A 1972 fire burned approximately 12,000 acres within the northern part of the Dillinger River II project area, and a 2009 fire burned nearly 24,000 acres within the northwest portion of the project area.

Potential for wildland fire is high in Interior Alaska. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations. The Department provides all entrants with information regarding wildland fire prevention and encourages them to locate parcels in defensible areas such as hardwood stands with access to water.

Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from the Department of Natural Resources (DNR) Division of Forestry. Most of the Tatalina II project area has a "Full" fire management option. The portion of the Tatalina II project area east of the Tatalina River within Township 6 North, Range 3 West and Township 7 North, Range 3 West, all of the Fairbanks Meridian has a "Limited" fire management option. The current fire management option for the Dillinger River II project area is "Limited." The policy on areas with the "Limited" management option reads, "Wildland fires occurring within this designation will be allowed to burn under the influence of natural forces within predetermined areas while continuing protection of human life and site-specific values within the management option. Generally this designation receives the lowest priority for allocations of initial attack resources; however, surveillance may be a high priority." The policy on areas with the "Full" management option reads, "Fires occurring within or immediately threatening this designation will receive aggressive initial attack dependent upon the availability of suppression resources."

It is important to note, however, that the DNR Division of Forestry warns that DNR Division of Mining, Land, and Water inform participants there is no guarantee their property will be spared from harm from a wildland fire, even if the area is designated "Full" fire management option.

Flood Hazard: There is potential for seasonal flooding and erosion of parcels adjacent to water bodies, especially in low-lying areas, for both project areas. Interested parties are encouraged to research this issue and inspect the project area prior to applying. We will continue to investigate and consider reserving areas prone to excessive flooding from staking.

<u>Background</u>: The Tatalina II and Dillinger River II project areas have both been previously offered under the Remote Recreational Cabin Sites program. The original decisions for these project areas provided for a certain number of staking authorizations. Authorizations remain available from these previous offerings, which led to the decision to reoffer these areas.

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#### Tatalina II

The Tatalina II project area was previously offered under the name Tatalina in 2003. A Preliminary Decision approving the offer of this project area was issued December 31, 1985 and amended February 26, 1986. A Final Finding and Decision was never issued. A new Amended Preliminary Decision was issued February 27, 2003, followed by a Final Finding and Decision issued April 30, 2003. The decision allowed for 62 authorizations to stake within this project area, for a maximum of 1,240 acres possible for disposal. 26 parcels were staked and 5 administrative parcels were created through the platting process, occupying 454.5 acres. Therefore, 31 authorizations and 785.5 acres remain available for staking.

A typographical error in the 2003 Amended Preliminary Decision indicated that one of the third party interests within the project area is material sale ADL 414234. This is incorrect; the correct ADL number for this material sale is ADL 414243. Due to changes in the way materials are managed, the project area is now also subject to material sale site ADL 419649, which is associated with new material sales under ADL 414243, at the same location. In addition, the project area is also now subject to material sale site ADL 419655, associated with existing material sales under ADLs 416038 and 416830, all at the same location, and as listed in the original Amended Preliminary Decision indicated above. To summarize, the project area is subject to three material sales associated with two material sale sites.

The following third party interests listed in the 2003 PD have been closed: ADLs 403427 (lease), 413342 (lease), 413487 (material sale), 414956 (R/W grant), 415056 (material sale), and 416200 (material sale). LAS 23822 (Land Use Permit for construction camp); and APMA F999612 (annual placer mining application) have also been closed. The project area remains subject to the following third party interests: ADLs 412440 (easement), 80137 (easement), 414719 (surveyed lot), 403074 (R/W grant), 415791 (private easement), and 63574 (lease). The project area is also subject to LAS 22914 (Land Use Permit for University of Alaska permafrost study) and TWUP A2013-85 (Temporary Water Use Permit).

In 2003, after staking began, the LSCAS applied for two easements within the project area for existing trails: ADL 416992 (Wilbur Creek Trail) and ADL 416993. These easements are still in application status and will be reserved through and along any staked parcels. See the Setbacks, Reserved Areas, and Easements subsection below for more information.

#### Dillinger River II

The Dillinger River II project area was previously offered under the name Dillinger River in 2006. A Preliminary Decision approving the offer of this project area was issued February 2, 2006, followed by a Final Finding and Decision issued March 17, 2006. The decision allowed for 50 authorizations to stake within this project area, for a maximum of 1,000 acres possible for disposal. 20 parcels, occupying 208 acres, were staked and no administrative parcels were created. Therefore, 30 authorizations and 792 acres remain available for staking.

As indicated in the FF&D for this area, this project area is subject to the trapping cabin permit ADL 216914. LAS 25188 (commercial recreation camp) has since been closed; the Land Use Permit for the site was relinquished in 2006.

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#### Planning and Classification:

#### Tatalina II

The Tatalina II project area is within the Yukon Tanana Area Plan for State Lands (YTAP, adopted 2014): Management Unit T-54. Lands within this unit are classified Settlement under Land Classification Order (CL) No. NC-10-005. When the project area was initially offered in 2003, it was governed by the Tanana Basin Area Plan (TBAP, adopted 1985, updated 1991), which also classified the project area Settlement. The general management intent of the area plan unit and subunit were reviewed for consistency with the proposed offering.

Guidelines in chapter two of the area plan regarding Coordination and Public Notice, Fish and Wildlife Habitat, Settlement, Shorelands and Stream Corridors, and Public Access uses were reviewed and will be incorporated in the development of this project. Lands to be retained in public ownership, conditions, and reservations will be described in the land sale brochure and area-specific staking instructions and maps.

The proposed offering is consistent with area-wide land management policies and general management intent of the YTAP 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.

#### Dillinger River II

The Dillinger River II project area is within the Kuskokwim Area Plan for State Lands (KAP, adopted 1988): Management Unit 13e: Dillinger River. Lands within this unit are classified Settlement under Land Classification Order (CL) No. SC-88-001. The area plan has not changed since the project area was initially offered in 2006. The general management intent of the area plan unit and subunit were reviewed for consistency with the proposed offering.

Guidelines in chapter two of the area plan regarding Fish and Wildlife Habitat, Settlement, Lakeshore Management, Trail Management, and Public Access uses were reviewed and will be incorporated in the development of this project. Lands to be retained in public ownership, conditions, and reservations will be described in the land sale brochure and area-specific staking instructions and maps.

The proposed offering is consistent with area-wide land management policies and general management intent of the KAP 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.

<u>Mineral Order</u>: No mineral activity has been identified for either project area. The Tatalina II project area is closed to mineral entry under Mineral Closing Order (MCO) No. 788. The portion of the Dillinger River II staking area within Township 29 North, Range 22 West, Seward Meridian is closed to mineral entry by MCO No. 431. The remainder of the Dillinger River II project area is closed to mineral entry by MCO No. 1049.

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Mineral orders that close an area to mineral entry, where they have been established, close that 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 land estate 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 proposed 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.

Reservation of 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, 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 surface owner be compensated for damages resulting from mineral exploration and development.

<u>Local Planning</u>: Where they exist, local zoning and related ordinances govern any land use restrictions, as with other private land. The entirety of both project areas is within the Unorganized Borough and subject to the State of Alaska platting authority. No local planning or zoning currently exists for either area. The Division does not intend to impose deed restrictions to control post patent use.

Coastal Issues: The project areas are not within the zone of coastal influence.

<u>Traditional Use Finding</u>: In accordance with *AS 38.05.830 Land Disposal in the Unorganized Borough*, a traditional use finding is required. Information obtained from YTAP and KAP and prior research indicates the lands within Management Unit T-54 and 13e, respectively, are primarily used for settlement and recreation. There are existing privately-owned parcels within the project areas. The Division invites comment on uses of State-owned land in either project area during the public comment period and will address information received in the Final Finding and Decision.

#### Additional information for Tatalina II

Information gathered on the Tatalina II project area indicates that harvested fish constitute the most heavily used subsistence resource in this area. Protection of access routes within and through the project area, as well a 200-foot buffer along the Tatalina River for protection of the important fish habitat will help mitigate the impact of the disposal on this traditional use.

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Offering these project areas may lead to an increase in remote recreational activity associated with privately-owned sites. However, the Division does not anticipate changes in the types of traditional uses of the land. The increase in pressure on resources is minimized by offering opportunity for low-density settlement over a large project area, proximity to retained, State-owned lands, and protection of riparian and shoreline habitat with setbacks and easements along public and navigable water bodies. Impacts on existing resource users will be minimized by protecting public access along public or navigable water bodies and by limiting the number of staking authorizations and acreage to be disposed.

#### Access To, Within, and Beyond Project Area:

#### Tatalina II

Access to the Tatalina II area is available via off-road vehicle in the summer and winter. The Elliott Highway roughly bisects the project area, and provides access to trails and some existing parcels. Direct highway access may be limited or consolidated as a condition of the offering. Refer to the <u>Setbacks</u>, <u>Reserved Areas</u>, <u>and Easements</u> subsection of this document for additional information.

LSCAS applied for ADLs 416992 and 416993 within the Tatalina II project area in 2003. LSCAS will work with the Easements unit of DNR's Northern Region Office to map these trails in order for the trails to be reserved through or along any staked parcels.

#### Dillinger River II

Primary access to the Dillinger River II area is by plane, either ski or float depending on the season and local conditions. Wheeled planes may be able to land on gravel bars along the South Fork Kuskokwim River. Access is also possible by snowmachine or boat along the South Fork Kuskokwim River and Dillinger River, and then across state land by snowmachine or ATV. There are known trap line trails and a tractor trail that transect the staking area north of the Dillinger River.

Review of the title report and land status records indicates there are no easements issued by the Division in either area, nor are there any RS 2477 trails listed under AS 19.30.400 Identification and Acceptance of Rights-of-Way in the areas, i.e. rights-of-way listed in Department land records as "RST" routes. If any trails are identified, parcels staked along these trails will be subject to an easement as described in the Setbacks, Reserved Areas, and Easements subsection of this document.

Additional legal access to, within, and through both project areas is via travel across unreserved State-owned land, along section line easements, or other easements reserved in conveyances to third parties. Access across unreserved State-owned land without a permit, along with pertinent restrictions, is governed by 11 AAC 96.020 Generally Allowed Uses and 11 AAC 96.025 Conditions for Generally Allowed Uses.

The Division 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 sites. 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

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surveyed section or township lines or across trail easements that have been assigned an ADL or RST number. Easements along interior parcel lines will also be reserved in order to ensure access between staked parcels. Lastly, 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.

The Division will continue to research the location and status of access to and through the project areas throughout the public comment period and up through the parcel survey. The reader is referred to the <u>Setbacks</u>, <u>Reserved Areas</u>, <u>and Easements</u> subsection of this document for more detailed information.

Access To and Along Public or Navigable Water. In accordance with AS 38.05.127 Access to Navigable or Public Water, the Division will determine if a body of water or waterway is a navigable or public waterway and will establish easements or right-of-ways as necessary to ensure unobstructed access to and along the body of water.

For the purposes of reserving access to public or navigable water under AS 38.05.127 Access to Navigable or Public Water and in accordance with its associated regulations, 11 AAC 51.035 Determination of Navigable and Public Water - 11 AAC 51.045 Easements to and Along Navigable and Public Water, 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.

Lakes larger than 50 acres in size or streams larger than 50 feet in width are navigable and lakes larger than 10 acres in size or streams larger than 10 feet in width are public for purposes of AS 38.05.127 Access to Navigable or Public Water. In addition, waters may be determined public or navigable water consistent with AS 38.05.965 (18) Definitions [General Provisions].

Attachment A: Area Map identifies water bodies determined to be public or navigable for the purposes of this proposal. If, at the time of field survey, a water body not depicted or identified on Attachment A is determined to be public or navigable, 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 depicted or identified 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 Setbacks, Reserved Areas, and Easements subsection and Agency Comments section of this document for additional information.

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The Division will continue to research the location and status of navigable and public waters within the project area throughout the public comment period and up through the parcel survey. The public is invited to comment on use of water resources in the project area to aid in making the navigable and public water determination.

Setbacks, Reserved Areas, and Easements: The Division may identify building setbacks, staking setbacks, reserved areas, and easements at any time before staking instructions are issued, including sites for public use and access. The Division may continue to research and identify easements throughout the staking and survey period. Of note, 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: We propose placing a note on the final survey plat describing a building setback, upland from the ordinary high water (OHW) line of public and navigable water, to protect access, fish and wildlife habitat, and personal property. Structures and subsurface sewage disposal systems are not permitted within the building setback. Exceptions to this restriction include 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. The public is invited to comment on the proposed plat note and the Division will continue to develop and apply criteria as needed. 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 within both project areas:

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. The Division may identify additional staking setbacks and reserved areas until staking instructions are issued. The following staking setbacks and reserved areas will apply to this offering, which represent no change from the previous offerings, except where noted:

#### Tatalina II

- 300-foot staking buffer from the centerline of the Elliott Highway;
- 200-foot staking setback upland from the OHW of the Tatalina River;
- Reserved area around material sale sites ADL 419649 and ADL 419655;
- Potential reserved areas for future pipeline purposes; and
- Potential reserved areas for access to state lands within or beyond the project area.

#### Dillinger River II

• 100-foot staking setback from the OHW of the South Fork Kuskokwim River;

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- 200-foot staking setback from the OHW of the Dillinger and Jones Rivers, as anadromous water bodies;
- 200-foot staking setback from the OHW of an unnamed tributary of the Jones River and an unnamed tributary of the South Fork Kuskokwim River (determined to be anadromous since the 2006 offering of the project area);
- Reserved area along lakes determined to be floatplane accessible for future access and public recreation use, in accordance with KAP;
- Reserved area around trapping cabin permitted by ADL 216914;
- Potential reserved areas for access to state lands within or beyond the project area.

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, the Division 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. Easements will be noted on the plat. Parcels created through this offering will be subject to the following easements for both project areas, which represents no change from the previous offerings:

- 50-foot public access easement on both sides of any surveyed or protracted section lines on State lands;
- 60-foot access easement centered on existing trails that are not assigned an ADL or RST number through and along staked parcels;
- 30-foot public access and utility easement along all interior parcel lines;
- 50-foot continuous public access easement, upland from the ordinary high water mark of public or navigable water bodies per AS 38.05.127 Access to Navigable and Public Waters; and
- 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 of 5 feet around the control monument, and as applicable, a 5-foot wide direct line-of-sight easement from the control station to an azimuth mark or other control monument.

#### Additional easements for Tatalina II

- 60-foot access easement centered on Old Elliott roadbed; and
- 60-foot access easements centered on ADL 416992 (Wilbur Creek Trail) and ADL 416993 (unnamed access to the Tatalina River), which were applied for after the previous offering.

<u>Hazardous Materials and Potential Contaminants</u>: Interested parties are encouraged to inspect the property and familiarize themselves with the condition and quality of the land. The State of Alaska 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

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the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances be eventually found.

There are no known environmental hazards present within either project area. The Division 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 that this land was specifically designated for settlement and disposal, and given the high degree of interest from both the legislature and citizens in sale of State-owned land, the Division is of the opinion that the benefits outweigh the potential risks.

<u>Survey</u>, <u>Platting</u>, and <u>Appraisal</u>: Survey, platting, and appraisal of staked parcels will be completed prior to sale. The Division proposes to issue survey contracts to conduct the survey and the costs will be prorated by acreage for each parcel.

In accordance with AS 38.05.840 Appraisal, an appraisal meeting Division standards will be required within two years of the date fixed for the sale of parcels developed under this proposal.

In accordance with 11 AAC 67.825 Lease Application; priority; 11 AAC 67.835 (4) Lease Conditions; and 11 AAC 67.840 Deposits, Refunds, and Credits; lessees will be required to pay a deposit for the cost of surveying, platting, and appraising a staked and leased Remote Recreational Cabin Sites parcel. Current regulations state the deposit may be either:

- 1. a quarterly payment toward the Division's estimated cost of survey, platting, and appraisal costs for the site; or
- 2. a cash performance bond of \$1,000 to ensure the lessee's completion of survey, platting, and appraisal of the site, if the Division determines that offering this option is in the State's best interest, and if the applicant chooses it.

The Division has determined it is not in the State's best interest to offer the second deposit option for this offering as it is not cost-effective for either the Division or applicants to allow individual surveys in the same staking area where State-issued survey contracts are active. The exceptions would be if a project area received so few applications that a State-issued survey contract would not be cost-effective or if a separate survey contract is required to resolve platting issues.

The Division may also identify and survey additional parcels in either project area to be sold under AS 38.05.045 Generally [Sale of Land]. 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.

<u>Staking Instructions and Lease</u>: The Remote Recreational Cabin Sites program allows authorized applicants to stake a parcel within a project area and issue 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.

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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 showing existing parcels, reserved areas, staking setbacks, and access routes where possible.

Entrants must apply for a lease after staking a parcel. The lease authorizes the lessee to enter and use the property after staking and prior to purchase while the survey, platting, and appraisal are completed. Lessees enjoy exclusive use of their parcel while under lease. That use is limited to private recreational use only; 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 and zoning requirements, if any. Mislocation of the parcel or improvements does not vest any preference right to the land improperly entered.

Other Constraints: There are no other known constraints at the time of this Preliminary Decision. The Division will continue to research and identify constraints throughout the public comment period and up through the point of offering.

# **VII. Agency Comments**

Tatalina II

Agency review for Tatalina II was conducted from February 15, 2011 to April 4, 2011. Comments pertinent to this proposed action received 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 the Final Finding and Decision if the proposal proceeds to that step.

Although they did not provide comments during the Agency Review period for Tatalina II, LSCAS is working with the DNR State Pipeline Corridor's Office (SPCO) to determine if any reservations are necessary for pipeline purposes.

<u>State of Alaska Department of Fish & Game (DFG) Comments</u>: DFG provided the following general comments pertaining to the Remote Recreational Cabin Sites project areas distributed for simultaneous agency review:

<u>Comment</u>: DFG would like DNR to consider scheduling the staking periods at times that do not overlap with open hunting seasons in the staking areas.

Response: The Department recognizes that the staking period will be concurrent with some hunting seasons for big and small game. Due to the long duration of multiple overlapping hunting seasons, limiting the staking period to exclude those periods when hunting occurs would greatly decrease the opportunity for entrants to access the project area and stake a parcel. A longer, continuous staking period provides summer, fall, and winter access, and increases the ability to access the area and successfully stake a parcel. In addition, if the staking period was intentionally schedules so as to not overlap with hunting seasons, this could impose an undue burden on stakers who may want to participate in both staking and hunting activities on a single trip.

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<u>Comment</u>: All trails and access points within and to the staking areas should be clearly identified and noted on staking materials, plats, and conveyance documents. Poorly planned ORV trails can lead to habitat degradation and braiding through stream and wetland areas.

Response: DNR DMLW recognizes that an increase in private property ownership could lead to an increase in backcountry travel and resource usage. As noted in the Access to, Within, and Beyond Project Area and Access To and Along Public or Navigable Waters subsections of this document, while some access across unreserved State-owned land is anticipated, it is beyond the scope of this decision to restrict access across unreserved State-owned land beyond 11 AAC 96.020 Generally Allowed Uses.

DNR DMLW will continue to identify, and where feasible, reserve access across State-owned lands within the project area. DNR DMLW will accept public comment during the public comment period, including information on existing and proposed access. It is standard for the offering brochure, staking map, staking packet, and supplemental information to describe any identified access routes and provide information about conditions and limitations, where available. Easements and reservations for individual parcels will be depicted on the survey plats. Impacts on public access will be minimized by protecting public access along existing trails, to and along public water bodies, and along private parcel boundaries. See the <u>Setbacks</u>, <u>Reserved Areas</u>, and <u>Easements</u> subsection of this document for more information.

<u>Comment</u>: Several of the proposed staking areas have streams cataloged by DFG in the Anadromous Waters Catalog (AWC). Proposed developments along these streams could adversely impact fish and wildlife resources and habitats. Any work conducted along these streams that occurs below the ordinary high water (OHW) that may use, divert, obstruct, pollute or change the natural flow or bed of a specific river, lake or stream, or any activity that uses wheeled, tracked, or excavation in the bed of unnamed creeks will require a Fish Habitat Permit from the appropriate Division of Habitat office. DFG requests that DNR include this information in the staking packet so the public is aware of this permit.

<u>Response</u>: Information will be included in the staking material as to what conditions require a Fish Habitat Permit.

<u>Comment</u>: DFG would like to recommend staking setbacks from all anadromous streams. Building setbacks do not prevent the land owner from removing the vegetation along the streams which are important for providing fish and wildlife habitat and maintaining water quality. This riparian vegetation is also used as movement corridors by moose, bears, and other wildlife.

<u>Response</u>: Although DFG submitted this comment as a general concern for all proposed staking areas presented in this round of Agency Review, DFG also made an areaspecific comment on this matter for this project area, which is addressed below.

DFG provided the following comments specific to the Tatalina II project area:

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<u>Comment</u>: This offering is located approximately 38 miles north of Fairbanks between milepost 45.5 and 51.5 of the Elliot Highway. Access to the staking area is by ORV in the summer and winter. The Elliot Highway provides access to some parcels and trails, but may be limited. The Wilbur Creek Trail, ADL 416992, is within the project area. This trail and any other access trails should be identified on the staking maps.

Response: See response to general comments regarding trails and access above.

<u>Comment</u>: DFG concurs with the reservation of all public access easements and building setback widths as described in the Agency Review notice. We also concur with the staking setback along the Tatalina River as it will help to maintain riparian vegetation, which prevents stream bank erosion and pollution. Water dependent structures are not allowed within the 200-ft wide staking setback without a separate DNR authorization.

Response: Thank you for your comments.

<u>DNR Division of Coastal and Ocean Management (DCOM) Comments:</u> DCOM indicated that this project area falls outside the zone of coastal influence.

<u>DNR Response:</u> We concur. Thank you for your comments. Please note that the Division of Coastal and Ocean Management Program sunset in 2011 shortly after completion of Agency Review for this project area.

<u>DNR Division of Geological and Geophysical Surveys (DGGS) Comment</u>: There is discontinuous permafrost; fine-grained soils may have significant ice content. There is potential for seasonal flooding and erosion issues for parcels adjacent to streams. Existing setbacks may accommodate this to some extent in areas where setbacks are in place.

<u>Response</u>: Thank you for your comment. Offering materials will include statements regarding the existence of these conditions.

DGGS Comment: No known mineral occurrences or mining claims within the staking area. The massive gold project at Money Knob is approximately 10 miles to the northwest. The Shorty Creek prospects and mining claims occur 3 miles to the west of the proposed staking area. Both areas have active mineral exploration, with one of the largest gold exploration programs in Alaska conducted in the Money Knob area over the past several years. Potential cabin site stakers should be informed about the likelihood of increased industrial use in the Livengood area in association with the Livengood/Money Knob project. Potential exists for conflicts between the exploration, likely development, and likely production of a large gold mine in the Livengood area and the perceived remoteness of this site for recreational cabins. DNR may consider contacting current parcel owners in area and poll them for perceived changes in the area since mineral exploration activities increased in 2007. DNR may consider delaying reopening this area to staking for remote recreational cabins until after development decisions have been made for the Livengood mining project.

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<u>Response:</u> Thank you for your comments. DNR recognizes that mining is an important part of the economy in this region and will indicate this to potential applicants via the offering brochure.

#### Dillinger River II

Agency review for Dillinger River II was conducted from February 7, 2014 to February 25, 2014. Comments pertinent to this proposed action received 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 the Final Finding and Decision if the proposal proceeds to that step.

State of Alaska Department of Fish & Game (DFG) Comment: ADF&G concurs with the reservation of all proposed building setbacks in the project area. While we do not object to this proposal, ADF&G would like to express some concerns. Wildfire is an important component of the ecosystem, and moose and bison in particular depend upon a natural fire regime. As more and more cabins go up, fire suppression becomes necessary to protect private property. Fire suppression in turn leads to more mature habitats which are not beneficial to moose and bison.

Response: Thank you for your comments. Stakers will be encouraged to follow firewise recommendations and cautioned that this project area is within a Limited fire management option. Please note that approximately 210 acres within this 38,200 acre project area have been transferred into private ownership so far. This reoffer may result in the transfer of up to 600 additional acres into private ownership. These 810 acres would represent approximately 2% of the total project area.

Other Agencies: The following agencies or groups submitted statements of non-objection to the Dillinger River II project area:

- Alaska Mental Health Trust Land Office
- Department of Transportation
- Department of Natural Resources
  - State Pipeline Coordinator's Office

#### VIII. Submittal of Public Comments

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

Pursuant to AS 38.05.945 Notice, the Department will issue public notice inviting comment on this Preliminary Decision and related actions, if any. 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 Department Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

#### **Preliminary Decision**

Tatalina II Remote Recreational Cabin Sites Project Area – ADL 417480 Dillinger River II Remote Recreational Cabin Sites Project Area – ADL 229339 Page 20 of 23

The Division will consider all timely comments. If evaluation of timely written comments received in response to this notice indicates the need for significant changes to the Preliminary Decision or related actions, 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 Division responses, will be issued as a subsequent Final Finding and Decision without further notice.

Only persons from whom the Department receives timely, written comment during the identified comment period will be eligible to file an appeal of 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 <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a> and sent with an explanation of the appeal process to any party who provides timely written comment.

# DEADLINE TO SUBMIT WRITTEN COMMENT IS 4:00 PM, WEDNESDAY, MAY 14, 2014

#### IX. Alternatives and Discussion

The Division is considering the following alternatives:

- 1. Approve all proposed actions.
- 2. Approve only some of the proposed actions.
- Do not approve the proposed actions.

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* has placed this charge with the Commissioner of DNR. Alternative 1 provides an equitable method for DNR to help meet the obligations laid out in the Constitution and statute. The project areas affected by this decision have been deemed appropriate for settlement through a previous best interest finding with related public process wherein these areas were previously identified as appropriate for offering. DNR is now conducting a new notice to the public under this proposal to amend the Final Findings and Decisions for uniformity and compliance with current law. Alternatives 2 and 3 may not allow the reoffering of these lands due to changes in statutes, regulations, and policies and thus the lands would be retained. Retention of these project areas would be contrary to the previous processes that identified these lands as appropriate for disposal and would inhibit DNR from meeting its Constitutional and legislative obligations. For the aforementioned reasons, Alternative 1 is the preferred alternative.

Recommendation follows.

#### **Preliminary Decision**

Tatalina II Řemote Recreational Cabin Sites Project Area – ADL 417480 Dillinger River II Remote Recreational Cabin Sites Project Area – ADL 229339 Page 21 of 23

#### Recommendation

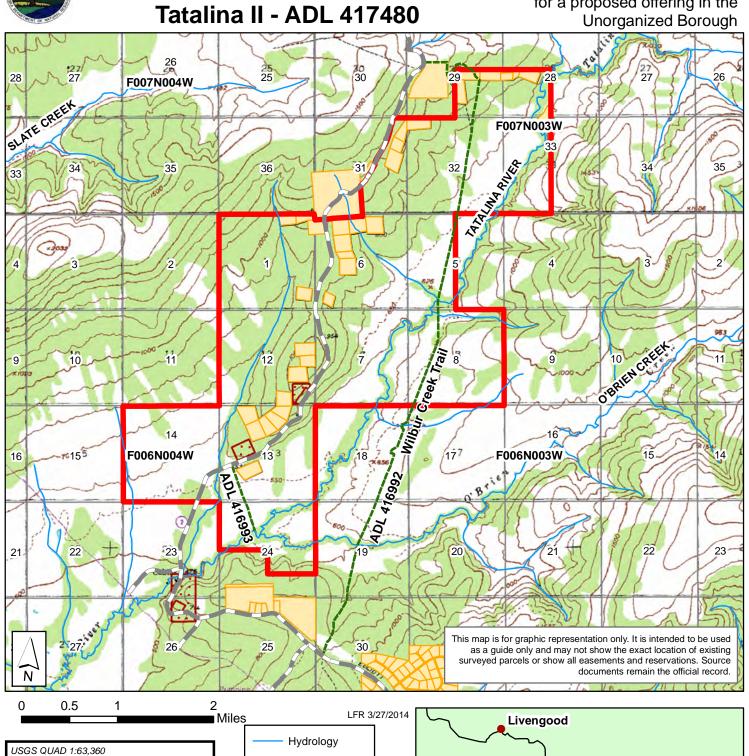
This Preliminary Decision for the proposed primary actions described throughout this document and its attachments are consistent with the overall management intent for State-owned land; potential changes to public resources and the public interest as a result of the proposal are acceptable; and these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

/s/	April 7, 2014	
Prepared by Lauren Rouen	Date	
Natural Resource Specialist III		
Remote Recreational Cabin Staking Program		
Land Sales and Contract Administration Section		
Division of Mining, Land, and Water		
Department of Natural Resources		
State of Alaska		
/s/	April 7, 2014	
Approved by Kathryn Young	Date	
Section Manager		
Lond Colon and Contract Administration Continu		

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

# Attachment A: Vicinity Map

to the Preliminary Decision for a proposed offering in the Unorganized Borough



Livengood B-3 Township 6 North, Range 3 West, Township 6 North, Range 4 West, Township 7 North, Range 3 West, Fairbanks Meridian For more information contact: Southcentral Project Development Team Department of Natural Resources Division of Mining, Land, and Water
Land Sales & Contract Administration Section Phone 907.269.8594 Fax 907.269.8916 Email landsales@alaska.gov

**Existing Trails** Elliott Highway Existing parcels Project Area Resource Sale Section Township DRG 1:63k

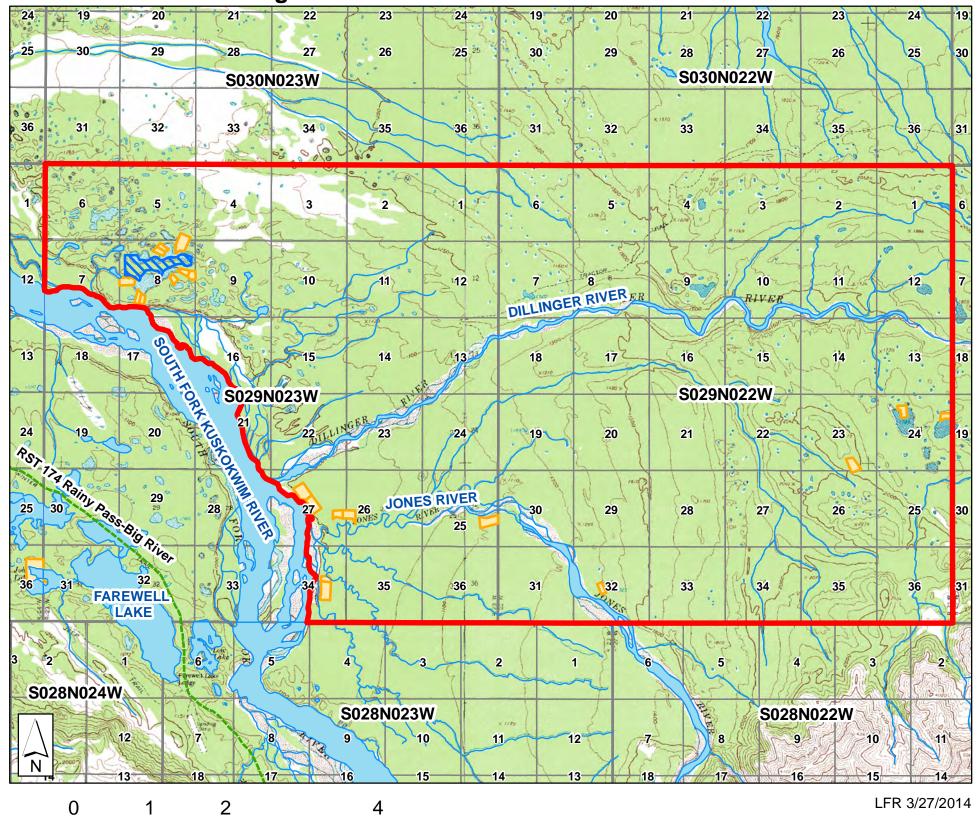




# Attachment A: Vicinity Map

to the Preliminary Decision for a proposed offering in the Unorganized Borough

# Dillinger River II - ADL 229339



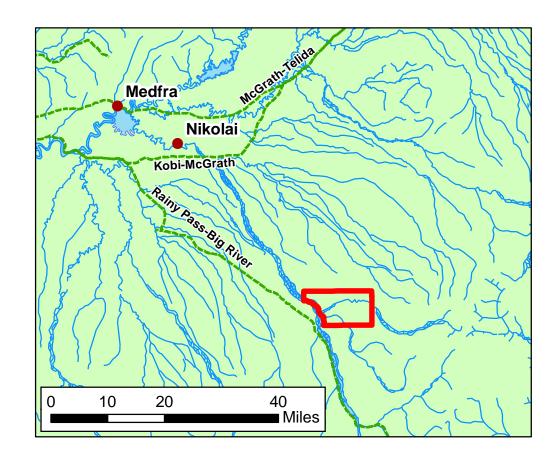
■ Miles

This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



USGS QUAD 1:63,360 McGrath C-1, C-2 Township 29 North, Range 22 West, Township 29 North, Range 23 West, Seward Meridian

For more information contact:
Southcentral Project Development Team
Department of Natural Resources
Division of Mining, Land, and Water
Land Sales & Contract Administration
Section
Phone 907.269.8594
Fax 907.269.8916
Email landsales @alaska.gov



# ATTACHMENT B: PUBLIC NOTICE

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

# **PUBLIC NOTICE**

Preliminary Decision of
Proposed Reoffers of 2 Remote Recreational Cabin Sites Project Areas:
Tatalina II - ADL 417480
Dillinger River II - ADL 229339

# COMMENT PERIOD ENDS 4:00PM, WEDNESDAY, MAY 14, 2014

The Division proposes to reoffer authorizations to stake parcels in two project areas under AS 38.05.600 Remote Recreational Cabin Sites. Additional parcels may be surveyed and offered under AS 38.05.045 Generally [Sale of Land].

#### PROPOSED SOUTHCENTRAL REGION STAKING AREA

Dillinger River II staking area is approximately 65 miles east southeast of McGrath and west of the South Fork Kuskokwim River and Farewell Lake. The project area is within Township 29 North, Range 22 West, Seward Meridian and Township 29 North, Range 23 West, Seward Meridian, within the Unorganized Borough and encompasses approximately 38,200 acres. There are 30 authorizations proposed for this offering.

#### PROPOSED NORTHERN REGION STAKING AREA

Tatalina II staking area is approximately 20 miles south of the intersection of the Elliott and Dalton Highways and 50 miles from Minto via the Elliott Highway. The project area is within Township 6 North, Range 3 West; Township 6 North, Range 4 West; and Township 7 North, Range 3 West, all of the Fairbanks Meridian, within the Unorganized Borough and encompasses approximately 6,100 acres. There are 31 authorizations proposed for this offering.

To obtain the notice, Preliminary Decision, or instructions on submitting comment, or to request auxiliary aids, services, or special accommodations, go to <a href="http://notes.state.ak.us/pn/">http://notes.state.ak.us/pn/</a> or <a href="http://landsales.alaska.gov/">http://landsales.alaska.gov/</a>. For assistance in obtaining the documents by an alternative method, 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 Section in Juneau at 907-465-3400 (TDD for the hearing impaired: 907-465-3888), or go to <a href="http://dnr.alaska.gov/commis/pic/">http://dnr.alaska.gov/commis/pic/</a> 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, WEDNESDAY, MAY 7, 2014.

Pursuant to AS 38.05.945 Notice, the public is invited to submit comment on this proposed action. The deadline to submit written comment is 4:00PM, WEDNESDAY, MAY 14, 2014. Only persons from whom DNR DMLW LSCAS receives timely, written comment during the

#### Attachment B: Public Notice

Tatalina II Remote Recreational Cabin Sites Project Area – ADL 417480 Dillinger River II Remote Recreational Cabin Sites Project Area - ADL 229339

identified comment period will be eligible to file an appeal of the Final Finding and Decision. Written comment may be received by fax, email or postal mail. To submit comments or for direct inquiries, contact Lauren Rouen, 550 W. 7<sup>th</sup> Avenue, Suite 640, Anchorage, Alaska 99501, fax # 907-269-8916, <a href="mailto:dnr.rrcs@alaska.gov">dnr.rrcs@alaska.gov</a>. If you have questions, call 907-269-8851.

If no significant change is required, the preliminary decision, including any minor changes and a summary of comments 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 comments and the preliminary decision.

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