CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Swan Valley Retreat Land Banking Proposal
Proposed Implementation Dat	Fall 2013/Winter 2014
Proponent:	Montana Department of Natural Resources and Conservation
Location:	E ½ of Section 18, T23N, R17W, just NE of the intersection of Goat Creek Road and Montana Highway 83.
County:	Lake
Trust:	Common Schools (77.61 acres)

I. TYPE AND PURPOSE OF ACTION

Lands involved in this proposal are held by the State of Montana in trust for the support of common schools or K-12 schools of Montana. The *Montana State Board of Land Commissioners (Land Board)* and Department of Natural Resources and Conservation (DNRC) are required by law to administer these trust lands to produce the largest measure of reasonable and legitimate return over the long run for these beneficiary institutions, as required in *Section 77-1-202, Montana Codes Annotated (MCA).*

DNRC has been unsuccessful in marketing these lands and their accompanying improvements within its Commercial Lease Program. Maintaining existing infrastructure and grounds on this parcel without a commercial lease is causing a substantial revenue loss to the trust. By selling this parcel DNRC hopes to use the proceeds to purchase lands adjacent to school trust lands that provide an improved sustainable income (see *APPENDIX A* for map locations of the parcel proposed for sale).

The 2003 State Legislature passed statutes *77-2-361* through *367-MCA* authorizing the DNRC to sell state trust land and utilize those funds to purchase replacement lands for the school trust through a process called Land Banking. The Swan Valley Retreat meets the intent of this program in that it has shown a recent history of not contributing income to the school trust, nor the potential to do so in the future, and has been costly and difficult to manage.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project. List number of individuals contacted, number of responses received, and newspapers in which notices were placed and for how long. Briefly summarize issues received from the public.

DNRC solicited public participation for the Swan Valley Retreat Land Banking Proposal through an initial scoping notice, that included maps, mailed on May 2, 2012 to members of the mandatory land banking scoping list, neighboring landowners, individuals, agency, and other organizations that have expressed interest in DNRC's management activities. The mailing list of parties receiving the notice, and the comments received, are located in the project file at the Swan River State Forest headquarters. The scoping period was open for comment until May 31, 2012. DNRC

received 6 comments and /or responses from: 1) Neil Meyer, Swan Valley Ad Hoc Committee; 2) Arlene Montgomery, Friends of the Wild Swan; 3) Jim Mann, The Daily Inter Lake; 4) Caroline Jenkins, Seeley Lake Pathfinder; 5) Leo Rosenthal, Fisheries Biologist and John Vore, Wildlife Biologist, Montana Fish Wildlife and Parks (FWP); and 6) Roger Bergmeier, Montrust. Articles were generated concerning the project in 3 local newspapers; the Daily Inter Lake, the Bigfork Eagle, and the Seeley Lake Pathfinder. Only1 responder expressed concerns about the project moving forward and expressed a desire for the placement of covenants or conservation easements on the parcel to limit possible future development and effects to wildlife and fisheries habitat. The comments were reviewed by the Interdisciplinary Team (ID Team) to identify issues that were within the scope of the project, and were analyzed in individual sections to which they pertained.

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2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:
Examples: cost-share agreement with U.S. Forest Service, 124 Permit, 3A Authorization, Air Quality Major Open Burning Permit.

MONTANA DEPARTMENT OF FISH, WILDLIFE AND PARKS (DFWP)
DFWP has jurisdiction over the management of fisheries and wildlife populations in the project area. DFWP is on the mailing list and was sent the scoping letter.

SWAN VALLEY GRIZZLY BEAR CONSERVATION AGREEMENT (SVGBCA)
The SVGBCA, a cooperative agreement between DNRC, Plum Creek Timber Company (Plum Creek), United States Fish and Wildlife Service (USFWS), and the USFS, is currently in effect. DNRC may sell any of its lands provided that any such sale shall contain the deed reservations recommended in *APPENDIX J* of the Agreement designed to reduce risk of bear-human conflicts.

LAKE COUNTY SUBDIVISION REGULATIONS
Lake County enforces subdivision regulations that ensure for the orderly development of lands within its jurisdictional area that promotes public health, safety and general welfare.

US FOREST SERVICE, FLATHEAD NATIONAL FOREST
Special use permit for facility infrastructure located on adjacent national forest lands.

MONTANA DEPARTMENT OF LABOR AND INDUSTRY
Responsible for the oversight and safety inspections of all facility boilers.

STATE FIRE MARSHALL
Responsible for the safety inspections of all above ground fuel storage tanks.

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3. ALTERNATIVE DEVELOPMENT:
Describe alternatives considered and, if applicable, provide brief description of how the alternatives were developed. List alternatives that were considered but eliminated from further analysis and why.

Alternatives Considered:

- *No-Action Alternative*

  Under this alternative, the State retains the existing land ownership pattern and would not sell the 77.61 acres of Common Schools Trust Land contained in Section 18, T23N, R17W. The State would continue to market the facility as a commercial lease. The No-Action Alternative

is used as a baseline for comparing the effects that the Action Alternative would have on the environment and is considered a possible alternative for selection. Traditional management activities would continue on this land parcel.

- *Action Alternative*

  Under this alternative, the Department would request and recommend approval by the Land Board to sell the 77.61 acres of Common Schools Trust Land contained in Section 18, T23N, R17W. If approved by the Land Board, the sale would be at public auction, subject to the requirements found in *Title 77, Chapter 2*, and *Part 3 of the Montana Codes Annotated*. The income from the sale would be pooled with other land sale receipts from across the State to fund the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts. The State would then review available lands for sale which would generally have access and an increased potential for income. A separate public scoping and review would be conducted when a potentially suitable parcel was found. It is not possible for this analysis to make any direct parcel to parcel comparisons.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify direct, indirect, and cumulative effects to soils.

The land parcel that is proposed for sale is at an elevation of 3,250 feet, and receives approximately 23 inches of annual precipitation. Slopes range from 0 to 10 percent, and aspects are generally flat. Geology in the area is dominated by the Ravalli and Piegan groups, both are Precambrian in age. In general, soils consist of deep alluvial and glacial till deposits. It is anticipated that the use of the land along with its improvements would not change. A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). The Action Alternative does not involve any ground disturbance. Existing conditions would not change with implementation of either alternative. The State owns, and would retain ownership of all mineral rights associated with this land parcel.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify direct, indirect, and cumulative effects to water resources.

No surface water parcels exist on the parcel. An ephemeral draw is located immediately to the north and east of the parcel and Goat Creek is located as close as 150 feet south of the parcel. Goat Creek contains bull trout and westslope cutthroat trout.

Other water resources found on the parcel includes 2 wells and wastewater treatment ponds. The wastewater treatment facility was designed to prevent pollution of surface and ground water resources and would continue to be under the jurisdiction of *Montana Department of Environmental Quality (DEQ).*

Because the Action Alternative does not include any ground disturbing activities, no direct, indirect, or cumulative impacts would be expected from implementation.

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6. AIR QUALITY:

What pollutants or particulate would be produced (i.e. particulate matter from road use or harvesting, slash pile burning, prescribed burning, etc)? Identify the Airshed and Impact Zone (if any) according to the Montana/Idaho Airshed Group. Identify direct, indirect, and cumulative effects to air quality.

The land parcel is located within Montana Airshed 2, which encompasses the entire Flathead and Lake counties, most of Sanders County, and the northernmost portions of Missoula, Mineral, and Powell counties. Air quality in the parcel area is generally excellent and has limited local emission sources and consistent wind dispersion throughout most of the year. Existing emission sources include residential wood-burning stoves, private homeowner debris burns, road dust created by recreational or forest-management activities, and periodic wildland fires and prescribed burns on federal, private, state, and tribal forested lands. A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). The primary use of the land parcel and its improvements are not expected to change under the Action Alternative. Emission sources are not expected to change from the existing condition.

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7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify direct, indirect, and cumulative effects to vegetation.

The 78-acre parcel is almost all entirely forested. The stand does not meet old-growth criteria. It consists of an overstory of mature ponderosa pine, western larch, Douglas-fir, and lodgepole pine with a small component of Engelmann spruce, grand fir, and subalpine fir on ABGR/ LIBO-LIBO, ABGR/CLUN-CLUN habitat types. The mid and understory consists of Douglas-fir, lodgepole pine, Engelmann spruce, and grand fir. Various forest insects and diseases occur throughout the stand. The stand is scheduled to be lightly commercial thinned and sanitized under the Scout Lake #1 Timber Sale in the winter of 2013/2014. This action is anticipated to move the stand covertype from mixed conifer to ponderosa pine which is a desired future condition. Vegetation may be affected by various future land-management uses or developmental uses. It is unknown what land use changes there may be with a change in ownership. A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). The Action Alternative does not propose any activities that change the existing vegetative condition. There are no expected direct or cumulative effects to vegetation as a result of this proposal.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify direct, indirect, and cumulative effects to fish and wildlife.

No direct, indirect, or cumulative impacts to fish would be expected from the implementation of the Action Alternative because (1) no ground-disturbing activities are included in the proposal and (2) no fish-bearing streams are located within 150 feet of the parcel.

Impacts to terrestrial wildlife resources are addressed in *APPENDIX B – WILDLIFE ANALYSIS* at the end of the document.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify direct, indirect, and cumulative effects to these species and their habitat.

No wetlands are located on the parcel.

Impacts to terrestrial threatened and endangered species are addressed in *APPENDIX B – WILDLIFE ANALYSIS* at the end of the document.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine direct, indirect, and cumulative effects to historical, archaeological or paleontological resources.

The state land proposed for sale was inventoried to Class III standards for cultural and paleontological resources. No cultural or paleontologic resources, as defined under the Montana State Antiquities Act, were located. A report of findings has been prepared concerning this sale. It is on file with the DNRC, (Helena) and the Montana State Historic Preservation Office (Helena):

Rennie, Patrick J.
2011 Cultural Resources Inventory of a Portion of the E1/2 Section 18, T23N R17W: Lake County, Montana. Report prepared for the DNRC (Helena, MT). Report dated September 2013.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify direct, indirect, and cumulative effects to aesthetics.

Generally, foreground views are from the grounds of the facility and they consist of stands of mature timber to the west, north, and south. To the east is a 40-year old stand of advanced regeneration. Artificial light is present at night due to security lighting. Middle-ground views consist of forested hillsides and drainages. The area contains mid-elevation rolling ridges with both natural and man-made openings dispersed throughout. Due to topography and existing vegetation, these types of views are limited from the parcel. Background views consist of a collection of drainages and ridges that make up a portion of the central Swan and Mission mountain ranges. The most prominent viewshed from the land parcel is the background view.

Noises generated in the area are typical of those found around retreat/rehabilitation centers. They include vehicle traffic, group activities, and grounds keeping activity.

The proposal does not include any change to existing or on-the-ground activities, so there is no anticipated change to the aesthetics as a result to this proposal.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify direct, indirect, and cumulative effects to environmental resources.

There are approximately 68,000 acres of trust land in Lake County. This proposal includes 78 acres, a small percentage of the state land within the County.

These are the only tracts of state land currently under consideration for sale through the Land Banking Program in Lake County. There are additional tracts of state land currently under consideration for sale through the Land Banking Program on a statewide basis. Each of these tracts is at a different stage in their review process, and is being examined under separate analysis. The authorizing legislation has placed a cap on the total land banking sales of 250,000 acres statewide.

The proposal does not anticipate any change to existing or on-the-ground activities. So, the potential transfer of ownership would not have any impact or demands on environmental resources of land, water, air, or energy.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

Other environmental documents that pertain to the project area include:

- Scout Lake Multiple Timber Sale Final Environmental Impact Statement (FEIS)
- Goat Squeezer FEIS
- Montana DNRC Forested State Trust Lands Habitat Conservation Plan FEIS
- Swan Valley Grizzly Bear Conservation Agreement

IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

No impacts to human health and safety would occur as a result of the proposal.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

Typically, the facility has had an annual operating budget of $1.0 million when it is in use. Purchase of goods and services have typically been made in the local Swan Valley and in the Missoula/Kalispell areas. It is not anticipated that this proposal would change the traditional cost of operating the facility. The existing condition of no use of the facility generates no economic benefit to the surrounding area. Private ownership and use of the facility would potentially generate economic benefit for the area.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify direct, indirect, and cumulative effects to the employment market.

The facility has traditionally supported approximately 55 full-time staff with an annual payroll of $1.2 Million. Typically, 70 percent of the employees are hired from the local Swan Valley while the other 30 percent are hired from outside the valley. It is not anticipated that this proposal would change the traditional cost of operating the facility. The existing condition of no use of the facility generates no economic benefit to the surrounding area. Private ownership and use of the facility would potentially generate economic benefit for the area.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify direct, indirect, and cumulative effects to taxes and revenue.

State School Trust Lands are currently exempt from property tax. If State Trust Lands represent 6 percent or greater of the total acres within a county, a payment in lieu of taxes (PLT) is made to the counties to mitigate for the State Trust Land tax exempt status. State Trust Lands are less than 6 percent of Lake County and this proposal would not cause Lake County to receive PLT. The proposal puts the facility and land into private ownership and it would then require the new owner to pay real and personal property taxes to the county. The amounts of property tax collected would vary, based upon the value of the property determined by the Dept. of Revenue and on Lake County mill levies.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify direct, indirect, and cumulative effects of this and other projects on government services

The Action Alternative does not propose any change in how the existing facility was traditionally used. A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). There are no expected changes in demand for government services.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

Lake County enforces subdivision regulations that ensure for the orderly development of lands within its jurisdictional area. They are intended to promote public health, safety, and general welfare.

The SVGBCA provides direction and guidelines to agencies in the Swan on how to protect and manage grizzly bears and their habitat. This agreement is signed by DNRC, Plum Creek , USFS, and US Fish and Wildlife Service. The Agreement allows for DNRC to sell any of its lands provided that any such sale shall contain the deed reservations recommended in *APPENDIX J* of the Agreement designed to reduce risk of bear-human conflicts.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify direct, indirect, and cumulative effects to recreational and wilderness activities.

A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). The proposal does not anticipate any significant change to the existing facility use or on-the-ground activities. The vicinity around the existing facility has been closed administratively to hunting. No wilderness or other public recreation areas are directly accessed through the facility. There is no anticipated change to local recreational opportunities.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify direct, indirect, and cumulative effects to population and housing.

The facility has traditionally supported approximately 55 full-time staff. The facility grounds has 8 sites where modular homes have been placed in the past. A recently completed appraisal determined that the land parcel's highest and best use is as a training facility or recreational in nature (retreat or camp facility). The proposal does not anticipate any significant change to the existing facility use or on-the-ground activities. There is no an anticipated change local population characteristic or housing.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

There are no native, unique, or traditional lifestyles or communities in the vicinity that would be impacted by the proposal.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

The State Trust lands in this proposal are currently managed for timber and also as a commercial lease. The parcel proposed for sale is generally indistinguishable from adjacent USFS and state lands, with no unique quality.

The potential sale of the state land would not directly or cumulatively impact cultural uniqueness or diversity. It is unknown what management activities would take place on the land if ownership was transferred. The tracts were nominated by the State with the intent that the facility would continue as a training facility, recreational retreat or camp facility.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify direct, indirect, and cumulative economic and social effects likely to occur as a result of the proposed action.

DNRC has been unsuccessful in marketing these lands and their accompanying improvements within its present Commercial Lease Program. The Action Alternative would have direct and immediate financial benefits to the Common School Trust Beneficiaries. DNRC would no longer be responsible for the care and maintenance of the facility with a savings of $15,000 per year.

Under DNRC rules, an updated appraisal was completed in October, 2013. The appraisal estimates the value of the land with its improvements at approximately $800,000. The parcel would be presented to the Land Board for preliminary approval to proceed with the sale sometime in early 2014. The revenue generated from the sale of this parcel would be combined with other revenue in the Land Banking Account to purchase replacement property for the benefit of the Trust. It is anticipated the replacement property would have legal access and provide greater management opportunities and income.

EA Checklist Prepared By:	**Name: Dan Roberson**	**Date:** 11/14/13
	Title: Swan Unit Manager	

V. FINDING

25. ALTERNATIVE SELECTED:

Two alternatives are present and fully analyzed in the CEA:

- The No-Action Alternative includes existing activities. The State would continue to market the facility as a commercial lease.
- Under the Action Alternative the Department would request and recommend approval by the Land Board to sell the 77.61 acres of Common Schools Trust Land in Section 18, T23N, R17W.

I have reviewed the correspondence from the public and information presented in the CEA. I have selected the Action Alternative without additional modifications. I feel the Action Alternative best meets the purpose and need for action for the following reasons:

- The selected Action Alternative meets the goals and objectives listed in this CEA.
- The analysis of identified issues did not reveal information to persuade me to select the No-Action Alternative.
- The lands involved in the proposed action are held by the State of Montana for the support of the Common School Trust (*Enabling Act of February 22, 1889*). The *Board of Land Commissioners (Land Board)* and DNRC are required by law to administer these trust lands to produce the largest measure of reasonable and legitimate return over the long run for these beneficiary institutions (*1972 Montana Constitution, Article X, Section 11; Montana Code Annotated [MCA] 77-1-202*). The lands involved in the proposed action have shown a recent history of not contributing income to the school trust, nor the potential to do so in the future, and has been costly and difficult to manage. The proposed Action Alternative provides DNRC the ability to correct this situation and meet its legal trust mandate.
- The Action Alternative meets all requirements of the Land Banking statute (*77-2-316* through *367, MCA*) and the *Administrative Rules for Land Banking* (*ARM 36.25.801* through 817).l

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I find that the Action Alternative will not have significant impacts on the human environment for the following reasons:

- The Action Alternative conforms to the management philosophies of DNRC and is in compliance with existing laws, rules, policies, and standards applicable to this type of proposed action.
- Review of these parcels indicates that they have no unique characteristics, critical habitat or environmental conditions indicating that the tract should remain under management of the DNRC.
- There are no indications that the lands would produce a greater increase in revenue or have substantially greater value to the trust under DNRC ownership in the near future.
- DNRC will not be precluded from analyzing future actions on state trust lands.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

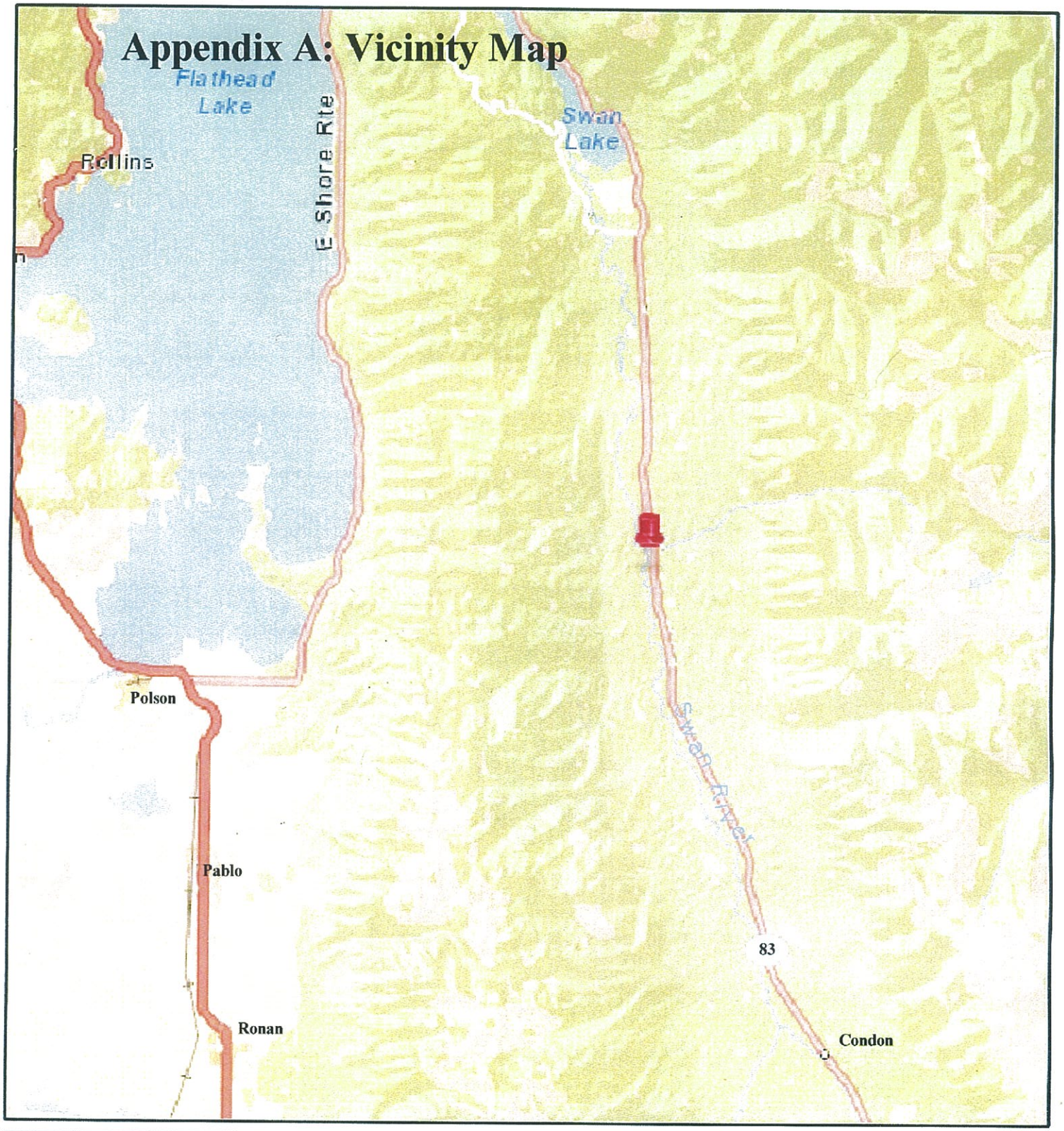
Based on the following, I find that a more detailed EA or an EIS does not need to be prepared:

- The CEA adequately addressed the issues identified during project development and displayed the information needed to make decision.
- Evaluation of the potential impacts of the Swan Valley Retreat Land Banking Proposal indicates that no significant impacts would occur.
- The ID Team provided adequate opportunities for public review and comment. Public concerns were incorporated into the project design.

	EIS		**More Detailed EA**	X	**No Further Analysis**

EA Checklist Approved By:	**Name:** Michael Collins **Title:** NWLO Trust Land Program Manager	
Signature:	Michael Collins	**Date:** Nov 19, 2013

Appendix A: Vicinity Map



Vicinity Map

MONTANA DNRC

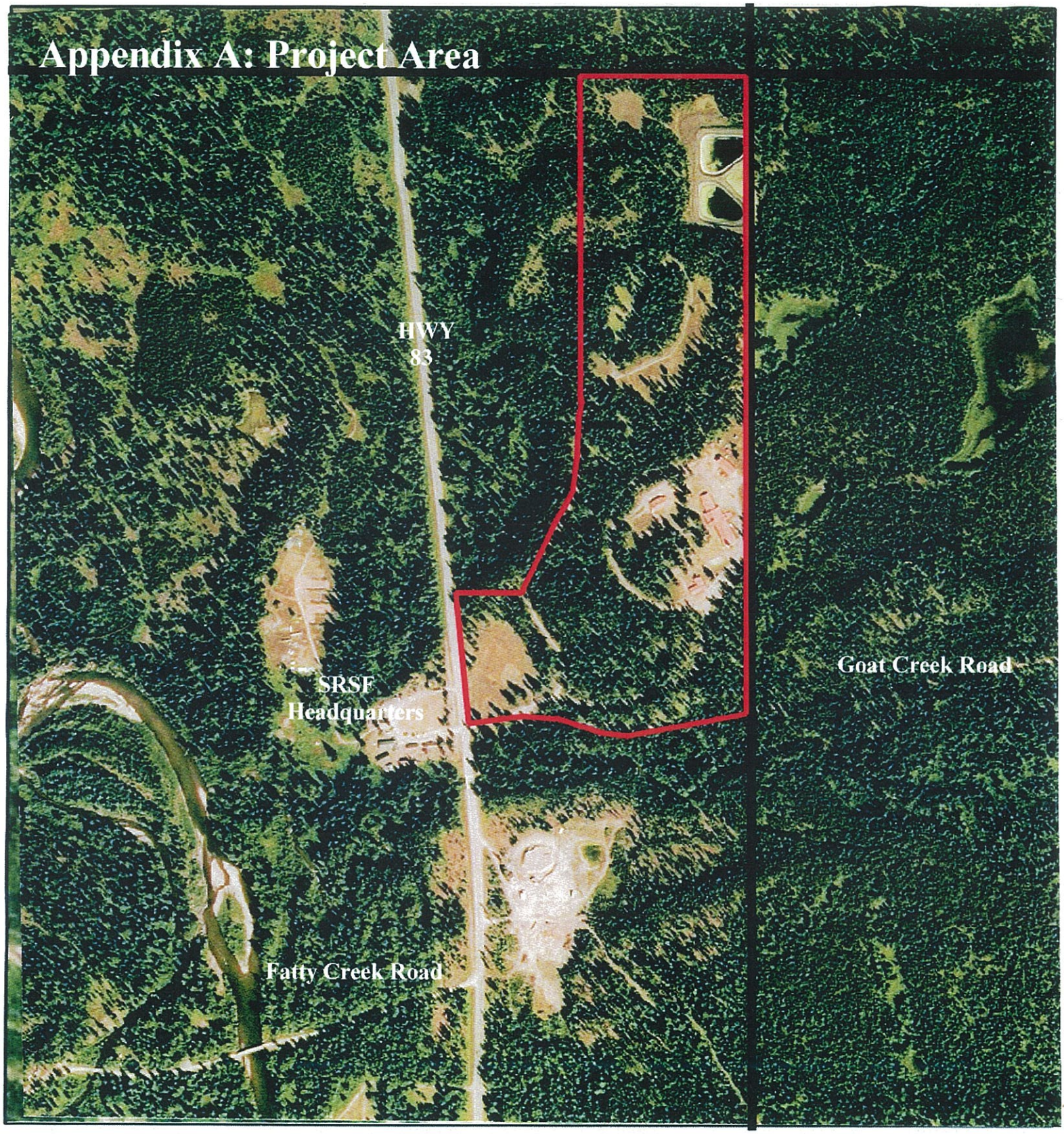
Swan Valley Retreat

Section 18, T23N, R17W

N W E S

Location of Proposed Land Banking Parcel

Appendix A: Project Area



Proposed Land Banking Parcel

MONTANA DNRC

Swan Valley Retreat

Section 18, T23N, R17W

Project Map

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APPENDIX B – WILDLIFE ANALYSIS

INTRODUCTION

The wildlife analysis discloses the anticipated direct, indirect, and cumulative effects that may result from implementing DNRC's Swan Valley Retreat Land Banking proposal located in Section 18, T23N, R17W north of the intersection of Goat Creek Road and Montana Highway 83. The parcel proposed for land banking was developed in 1967 and has served as a low-security incarceration facility, boot camp, and juvenile facility and includes infrastructure such as a dormitory, kitchen, and administrative building.

RELEVANT AGREEMENTS, LAWS, PLANS, RULES, AND REGULATIONS

Legal documents dictate criteria for the management of wildlife and their habitat on state lands. The documents most pertinent to this project include: *DNRC Forest Management Rules, DNRC Forested Trust Lands Final Environmental Impact Statement and Habitat Conservation Plan,* the *Endangered Species Act,* the *Migratory Bird Treaty Act, Bald and Golden Eagle Protection Act,* and the *Swan Valley Grizzly Bear Conservation Agreement.*

ANALYSIS METHODS

Analysis methods are based on DNRC *State Forest Land Management Rules,* which are designed to promote biodiversity. The primary basis for this analysis included information obtained by: field visits, scientific literature consultation, *Montana Natural Heritage Program* (MNHP) data queries, DNRC *Stand Level Inventory* (SLI) data analysis, and aerial photograph analysis. A general description of what land uses may occur under the No-Action and Action alternatives is included below. The coarse-filter wildlife analysis section includes analyses of the effects of the proposed alternatives on old-growth forest, connectivity of mature-forest habitat, snags and coarse woody debris. In the fine-filter analysis, individual species of concern are evaluated. These species include wildlife species federally listed under the *Endangered Species Act,* species listed as sensitive by DNRC, and species managed as big game by DFWP.

Cumulative effects analyses account for known past and current activities, as well as planned future agency actions. The 78-acre parcel is scheduled to be lightly commercial thinned and sanitized under the Scout Lake #1 Timber Sale, which will occur in the winter of 2013/2014.

DESCRIPTION OF ALTERNATIVES

- *No-Action Alternative*

  Under the No-Action Alternative, the project area would remain in DNRC ownership and DNRC would continue to seek a lessee for the facilities. Disturbance to wildlife and potential for wildlife conflicts would likely remain similar to historical levels, depending upon DNRC's success in finding a lessee. Timber management could occur periodically as stands become mature or as insect and disease outbreaks necessitates harvest.

- *Action Alternative*

  Under the Action Alternative, DNRC would relinquish ownership of the project area under the State Land Banking process. It is reasonable to expect that a private party would purchase

the property. Beyond this expectation, future land uses that would occur outside of DNRC control are subject to speculation. Transferring ownership of the parcel to another party will not have any direct or immediate indirect impact on any wildlife species; however, the action does open a door for greater future risk of future development and erosion of wildlife habitat values that could occur outside of the *Montana Environmental Protection Act* (MEPA) process. Speculating on a vast number of possible outcomes on such projects is not a requirement under MEPA and is discouraged; however, the action proposed by DNRC does create an element of increased uncertainty regarding how affected lands would be managed in the future. Thus, while hypothesizing on an infinite number of possible outcomes is not required or reasonable, it is responsible to disclose a range of possible outcomes. Considering a logical range of outcomes in such a manner, a purchaser may: 1) continue to operate the facility in a manner similar to historic uses such as a boot camp or a juvenile facility, albeit with deed restrictions described in *APPENDIX C*; 2) conserve existing habitat values by selling or transferring rights for future development, such as a conservation easement, 3) develop the land following purchase (could be one to several additional home sites). If the parcel were later proposed for subdivision or development with more than one unit, the proposal would be subject to Lake County Subdivision Rules. If a proposed subdivision included 5 or more lots, preparation of an environmental assessment would also be required. Since there are no zoning regulations that specifically address impacts to wildlife, a review of impacts to wildlife based on information from MNHP and DFWP would be required as part of any proposal for subdivision, regardless of size. Depending upon future land use, adverse impacts to wildlife could be reduced, remain the same, or increase in comparison to historical uses of the parcel.

COARSE-FILTER ANALYSIS

TABLE W-2 –COARSE-FILTER: *Analysis of the anticipated effects of the Swan Valley Retreat Land Banking Proposal on coarse-filter resource topics.*

COARSE-FILTER RESOURCE TOPIC	COARSE-FILTER ANALYSIS
Old-Growth Forest	Old-growth forest does not occur in the project area, thus no direct, indirect, or cumulative effects would be anticipated.
Connectivity of Mature-Forest Habitat	The project area contains mature forested habitat consisting primarily of Douglas-fir, lodgepole pine, Engelmann spruce, and grand fir. The area is scheduled to be lightly commercially thinned under the Scout Lake Sale in the winter of 2013/2014, which would reduce canopy cover. The proposed sale of the parcel would not affect stand structure. Thus, minor direct, indirect, or cumulative effects would be anticipated.
Snags and Coarse Woody Debris	The parcel proposed for land banking is scheduled for a light commercial thin in the winter of 2013/2014. The proposed land sale would not directly affect the availability of snags and coarse woody debris. Thus, minor direct, indirect, or cumulative effects would be anticipated.

FINE-FILTER WILDLIFE ANALYSIS

The fine-filter wildlife analysis discloses the existing conditions of wildlife resources and the anticipated direct, indirect, and cumulative effects that may result from the No-Action and Action alternatives. Wildlife species considered include: 1) species listed as threatened or endangered under the *Endangered Species Act* of 1973; 2) species listed as sensitive by DNRC; and 3) species managed as big game by DFWP. *TABLE W-2 –FINE-FILTER* provides an analysis of the anticipated effects for each species.

TABLE W-2 –FINE-FILTER. *Analysis of the anticipated effects for fine-filter species on the DNRC Swan Valley Retreat Land Banking proposal.*

SPECIES/HABITAT	FINE FILTER ANALYSIS
THREATENED and ENDANGERED SPECIES	
Canada lynx (*Felis lynx*) Habitat: Subalpine fir habitat types, dense sapling, old forest, deep-snow zones	The project area contains 60 acres of suitable Canada lynx habitat, but the proposal would not directly or indirectly affect forest stands. However, additional uncertainty regarding future-land management practices would be present. The parcel is also not in a particularly desirable location given the existing level of human development in the area and the close proximity of Highway 83. Thus, minor direct, indirect, and cumulative effects to Canada lynx would be anticipated.

Grizzly bear (*Ursus arctos*) Habitat: Recovery areas, security from human activity	The project area is considered *Northern Continental Divide Ecosystem* (NCDE) recovery zone habitat and is located in the Goat Creek BMU (*USFWS 1993, Wittinger 2002*). Approximately 2 acres of linkage zone habitat would be included in the proposed land banking. Since 1967, the project area has been used as a minimum-security correctional institution, a boot camp, and a youth facility and contains a dormitory, kitchen, administrative building, shop, and additional facilities. The close proximity of the area to Highway 83 may deter extensive use of the area by grizzly bears; however, grizzly bears have been documented in the area (*MNHP data, Oct. 24, 2013*). Increased human development in areas occupied by grizzly bears is one of the most crucial risk factors that can influence grizzly bears. To address this risk, deed restrictions would be placed upon the property to restrict common bear attractants such as fruit trees, barbeques, garbage, domestic animals, and bird feeders (see *APPENDIX C*). The land banking process would not directly affect grizzly bear habitat or potential for human-bear conflicts; however, future land management practices would be somewhat less certain and likely would not be subject to public processes such as those required by the MEPA. Considering that land banking would not directly affect grizzly bear habitat or security, that the area proposed for land banking has been developed since 1967, future land management of the 78-acre area would be less certain, and that deed restrictions would reduce the availability of attractants and the risk of human-bear conflicts, minor adverse direct, indirect, and cumulative effects to grizzly bears would be anticipated.
SENSITIVE SPECIES	
Bald eagles (*Haliaeetus leucocephalus*) Habitat: Late-successional forest less than 1 mile from open water	Goat Creek is adjacent to the project area, but bald eagles have not been documented breeding in this area. The closest nest to the project area is 4 miles away. Thus, negligible direct, indirect, or cumulative effects to bald eagles would be anticipated.
Black-backed woodpeckers (*Picoides arcticus*) Habitat: Mature burned or beetle-infested forest	No recently (<5 years) burned areas occur within 0.25 miles of the project area. Thus, no direct, indirect, or cumulative effects to black-backed woodpeckers would be expected to occur as a result of either alternative.
Coeur d'Alene salamanders (*Plethodon idahoensis*) Habitat: Waterfall spray zones, talus near cascading streams	No moist talus or streamside talus habitat occurs in the project area. Thus, no direct, indirect, or cumulative effects to Coeur d'Alene salamanders would be anticipated.

Columbian sharp-tailed grouse (*Tympanuchus Phasianellus columbianus*) Habitat: Grassland, shrubland, riparian, agriculture	No suitable grassland communities occur in the project area. Thus, no direct, indirect, or cumulative effects to Columbian sharp-tailed grouse would be anticipated.
Common loons (*Gavia immer*) Habitat: Cold mountain lakes, nest in emergent vegetation	No suitable lake habitat occurs within 1 mile of the project area. Thus, no direct, indirect, or cumulative effects to common loons would be anticipated.
Fishers (*Martes pennanti*) Habitat: Dense mature to old forest less than 6,000 feet in elevation and riparian	The project area contains approximately 5 acres of fisher habitat. The land sale would not directly affect fisher habitat, but management objectives of the lands under a new purchaser are not known. Given the small amount of fisher habitat that would be affected by the proposed land sale, negligible adverse direct, indirect, or cumulative effects to fisher would be anticipated.
Flammulated owls (*Otus flammeolus*) Habitat: Late-successional ponderosa pine and Douglas-fir forest	Flammulated owl habitat does not occur in the project area. Thus, no direct, indirect, or cumulative effects to flammulated owls would be anticipated.
Gray wolves (*Canis lupus*) Habitat: Ample big game populations, security from human activities	The Cilly Pack 2012 home range coincides with the project area (*DFWP 2012*); however, no known den or rendezvous sites exist within 1 mile of the project area (*K. Laudon, DFWP, wolf management specialist, pers. comm., July 2013*). Additionally, deed restrictions prohibiting the keeping of rabbits, chickens, pigs, sheep, and goats would be placed on the property, reducing the probability of wolf-livestock conflicts. Land banking would not directly affect gray wolf habitat; however, future land management practices under a new owner would be less certain. Thus, minor direct, indirect, or cumulative effects to gray wolves would be anticipated.
Harlequin ducks (*Histrionicus histrionicus*) Habitat: White-water streams, boulder and cobble substrates	No suitable stream habitat occurs in the vicinity of the project area and harlequin ducks have not been observed in the area (*MNHP data, October 24, 2013*). Thus, no direct, indirect, or cumulative effects to harlequin ducks would be expected to occur as a result of either alternative.
Northern bog lemmings (*Synaptomys borealis*) Habitat: Sphagnum meadows, bogs, fens with thick moss mats	No suitable sphagnum bogs or fens occur in the project area. Thus, no direct, indirect, or cumulative effects to northern bog lemmings would be anticipated.

Peregrine falcons (*Falco peregrinus*) Habitat: Cliff features near open foraging areas and/or wetlands	No suitable cliffs/rock outcrops for nest sites were observed during field tours of the area. Additionally, peregrine eyries have not been documented within 0.5 miles of the project area (*MNHP data, October 3, 2013*). Thus, no direct, indirect, or cumulative effects to peregrine falcons would be anticipated.
Pileated woodpeckers (*Dryocopus pileatus*) Habitat: Late-successional ponderosa pine and larch-fir forest	The project area contains approximately 56 acres of suitable pileated woodpecker habitat. Land banking would not directly affect habitat structure. However, future land uses under a new landowner could alter habitat or create additional disturbance in the area, but the likelihood and extent is not known. Thus, minor direct, indirect, or cumulative effects to pileated woodpeckers would be anticipated.
Townsend's big-eared bats (*Plecotus townsendii*) Habitat: Caves, caverns, old mines	No suitable caves or mine tunnels are known to occur in the project area. Thus, no direct, indirect, or cumulative effects to Townsend's big-eared bats would be anticipated.
Wolverine (*Gulo gulo*) Habitat: Alpine tundra and high-elevation boreal and coniferous forests that maintain deep persistent snow into late spring	No high-elevation habitat with persistent spring snow pack occurs in the project area. Thus, no direct, indirect, or cumulative effects to wolverines would be anticipated.
BIG GAME	
Elk (*Cervus canadensis*) Mule Deer (*Odocoileus hemionus*) White-tailed Deer (*Odocoileus virginianus*)	The project area contains white-tailed deer and elk winter range as identified by DFWP (*2008*). The project area provides thermal cover that may ameliorate severe winter conditions. The proposed land banking would not directly affect winter range characteristics. However, future land-management practices would be less certain on the affected 78 acres, and thermal cover and disturbance levels could be affected by future land owners. The likelihood and extent of this occurring is not known. Deed restrictions (*APPENDIX C*) would require the new owners of the parcel to maintain control of pets and prevent them from stalking or harassing wildlife. Thus, minor adverse direct, indirect, or cumulative effects to big game are anticipated.

LIST OF MITIGATIONS

- Apply deed restrictions listed in *APPENDIX C* to reduce the availability of attractants and the risk of human-bear conflicts.

LITERATURE CITED

DFWP 2012. 2012 Montana wolf pack locations. Individual GIS data layer. Montana Fish, Wildlife and Parks. Helena, Montana

SVGBCA. 1997. Swan Valley Grizzly Bear Conservation Agreement. USFWS, Helena, Montana. 37pp.

Wittinger, W.T. 2002. Grizzly bear distribution outside of recovery zones. Unpublished memorandum on file at USDA Forest Service, Region 1. Missoula, Montana. 2pp.

USFWS. 1993. Grizzly bear recovery plan. Missoula, Montana. 181 pp.

APPENDIX C – GRIZZLY BEAR DEED RESTRICTIONS

Grantor hereby specifically reserves to itself, its successors and assigns and may grant to the governmental entities set forth below and their successors and assigns the following rights and restricts the property as follows:

1. **BARBECUE PITS** - Permanent barbecue pits are prohibited.

2. **GARDENS** - Gardens shall be fenced with at least one foot of fencing material below ground level and at least 8 feet in height. The top rail shall be made of something other than wire to prevent wildlife from entanglement.

3. **BIRDFEEDERS** - All bird feeders shall be suspended on a cable or other device so that they are at least 12 feet above the ground and at least 4 feet from any tree, post, or other structure that bears could climb.

4. **FRUIT TREES** - The planting of any type of fruit tree is prohibited unless surrounded by a properly constructed and maintained electric fence. Any produce shall be harvested promptly and thoroughly to prevent the accumulation of rotting organic matter.

5. **SOLID WASTE** - No part of the property shall be used as a dumping ground. All solid waste shall be stored inside the home or garage and shall be contained in metal, plastic, or other suitable containers which have sufficiently tight-fitting covers to prevent entrance or destruction by bears or other wild animals, unless it is in a commercially produced bear-resistant container. Solid waste may be stored out of doors if it is in a commercially produced bear-resistant container. Solid waste shall not be accumulated for longer than 7 days and must be removed every 7 days. Solid waste must be covered when it is being transported. Burying or burning solid waste is prohibited.

6. **FEEDING WILDLIFE** - Intentional feeding of wildlife is prohibited (with the exception of birds, as set forth in *SECTION 3* above). Salt blocks, mineral blocks, and feeding platforms for deer or other wildlife are prohibited. Horse or livestock feed, such as hay, pellets, and grain indoors, shall be stored in a secured area or in commercially produced wildlife resistant containers. Pet food shall be stored indoors or in commercially produced wildlife resistant containers.

7. **DOMESTIC ANIMALS** - All domestic animals shall be controlled to prevent them from chasing, stalking, killing, harming, or harassing wildlife and livestock and to prevent them from becoming prey for wildlife.

8. **RABBITS, CHICKENS, TURKEY, PIGS, SHEEP AND GOATS** - The keeping of rabbits, chickens, turkeys, pigs, sheep, and goats is prohibited.

9. **APIARIES** - Apiaries shall be surrounded by electric fencing.