

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Irvine Flat/Binger Land Banking Tract Sale # 203
Proposed Implementation Date:	Fall 2005
Proponent:	Montana Department of Natural Resources and Conservation
Location:	N1/2 SE1/4 Section 3-T22N-R22W (see Attachment A)
County:	Flathead

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, 80 acres of classified grazing State Trust Land currently held in trust for the benefit of Public Schools. Revenue from the sale would be deposited in a special account used to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income and proximity to existing state ownership, which would then be held in trust for the benefit of Public Schools. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is for the Department of Natural Resources and Conservation to overall; diversify uses of land holdings of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land and consolidate ownership.

II. PROJECT DEVELOPMENT

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

Provide a brief chronology of the scoping and ongoing involvement for this project.

A legal notice was published in the Lake County Leader on March 10th and 17th requesting comments be submitted on the proposal by April 4, 2005.

A letter, requesting comments be submitted by April 4 was sent to interested parties including adjacent landowners (includes applicant only), the Lake County Commissioners, the Land Banking Negotiated Rulemaking Committee members, district State legislators and the Confederated Salish and Kootenai Tribal Historic Preservation Office.

With the exception of the Departmental specialist's review of impacts as related to Sections 4, 5 and 7-9 below, no comments were received regarding the proposal.

A complete list of the individuals contacted is included in Attachment B of this EA.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

None

3. ALTERNATIVES CONSIDERED:

Proposed Alternative: Offer approximately 80 acres of State Trust Land for sale at Public Auction and subject to Statutes addressing the Sale of State Trust Land found in Title 77, Chapter 2, Part 3 of the Montana Codes Annotated. Proceeds from the sale would be deposited in the Land Bank Fund to be used in conjunction with proceeds from other sales for the purchase of other State Trust Land, easements, or improvements for the beneficiaries of the respective trusts, in this case Common Schools.

No Action Alternative: Defer inclusion of this tract in the Land Banking Program, maintain state ownership of this tract at this time and continue to manage for grazing values.

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 any cumulative impacts to soils.

Historic and existing management activities have not led to bare soil erosion. No direct or cumulative impact to soils is anticipated as result of the proposal. The State of Montana will retain the mineral rights

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 cumulative effects to water resources.

There are no stream channels located within the parcel. Historical management activities have resulted in no water yield impacts to the drainage in which it is located. No direct or cumulative impact to water quality, quantity or distribution is anticipated as result of the proposal.

6. **AIR QUALITY:**

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

Impacts to air quality may result from a variety of activities including road use, agricultural burning, wildfires, vehicle emissions or heating system emissions among others. It is unknown what land use activities may be associated with a change in ownership and no direct or cumulative effects are expected to air quality as a result of the proposal.

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 cumulative effects to vegetation.

The vegetation is dominated by Crested Wheatgrass, Western Wheatgrass and Sandberg Bluegrass. Vegetation may be affected by numerous land management activities including livestock grazing, development, wildlife management or agricultural use. We do not expect direct or cumulative effects would occur to vegetation as a result of the proposal.

8. **TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:**

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

This tract is typical of a land throughout the vicinity and there are no known rare, unique cover types or critical wildlife habitats associated with the state tract. It is not expect direct or cumulative wildlife impacts would occur as a result of implementing the proposal.

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 cumulative effects to these species and their habitat.

The project area does not contain preferred bald eagle or Canada lynx habitats. The project area is not in a grizzly bear recovery zone or occupied habitat, and grizzly bear use is not expected. Members of the Lonepine wolf pack have been documented within 6 air-miles of the project area their range includes a portion of the project area. Given the habitats on the state parcel, extensive use is not expected though wolves could pass through the area occasionally.

Suitable habitat does not exist in the project area for any of the sensitive species occurring in the bounds of the NWLO, therefore no effects are anticipated to those species.

The project area does not provide big game winter range, and deer use the area in the non-winter period. The vegetation and wildlife habitat on this tract is typical of a land throughout the vicinity and there are no known rare, unique cover types or vegetation on the tract. It is not expected that any direct or cumulative wildlife or vegetation impacts would occur as a result of implementing the proposal.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

The presence or absence of antiquities is presently unknown. A class III level inventory and subsequent evaluation of cultural and paleontologic resources will be carried out if preliminary approval of the parcel nomination by the Board of Commissioners is received. Based on the results of the Class III inventory/evaluation the DNRC will, in consultation with the Montana State Historic Preservation Officer, assess direct and cumulative impacts.

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 cumulative effects to aesthetics.

There are no prominent topographic features on the State Trust Land. The surrounding land is owned by the leasee who has incorporated this parcel into his operation. No direct or cumulative impact to aesthetics is anticipated as result of the 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 cumulative effects to environmental resources.

This 80-acre tract is part of the common school trust of which there are more than 4.6 million acres within the state. The Land Banking statutes limit the sale of trust land to a maximum of 20,000 acres prior to purchasing replacement lands. The potential sale of this tract would affect an extremely small percentage of the common school trust land if replacement land was not purchased before the statute expires. I

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.

This tract is currently managed under the State Forest Land Management Plan.

There are no known state or federal actions in the vicinity and no other known future actions proposed by the state which would have cumulative impacts with this proposal.

IV. IMPACTS ON THE HUMAN POPULATION
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| <ul style="list-style-type: none">• <i>RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.</i>• <i>Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.</i>• <i>Enter "NONE" if no impacts are identified or the resource is not present.</i> |
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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.

It is unknown if a change in use would occur if the tract was transferred to another owner. Any future change in land use would be subject to review under state and local regulations intended to address impacts to local industrial, commercial and agricultural activities. No direct or cumulative impacts are anticipated as a result of the proposal.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

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

The proposal would have no effect on quantity and distribution of employment.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

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

Currently the tract is not assessed taxes. If the property were to be sold and purchased by a private landowner, Lake County would receive the added assessments.

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 cumulative effects of this and other projects on government services

The proposed sale would not have an impact on 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.

The tract is currently not zoned but falls within the agricultural/silvicultural use designation in the Lake County Growth Policy, and any future uses would be guided by this document and other local and state land use regulations.

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 cumulative effects to recreational and wilderness activities.

The tract of State Trust Land does not provide access to any recreational or wilderness areas in the vicinity. The tract is wholly surrounded by private land owned by the current grazing leaseholder.

The potential transfer of ownership on this will have no impact on access to or quality of recreational and wilderness activity.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

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

The potential ownership transfer of this tract would not require additional housing or impact population changes.

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 sale of the State Trust Land will not directly or cumulatively impact cultural uniqueness or diversity.

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 cumulative economic and social effects likely to occur as a result of the proposed action.

The tract currently has a grazing lease for 18 Animal Unit Months (0.225 AUM/acre) at a rate of \$5.91/AUM and generating an income of \$106.38 or approximately \$1.33/acre in 2005. The average annual income for the past 5 years has been \$94.97. The average income per acre for the past 5 years therefore is approximately \$1.19. Based on the DNRC Annual Report for Fiscal Year 2004, the average income for the 4.3 million acres of grazing land was \$1.28/acre with an average productivity of .25 AUMs/acre. Therefore this tract is considered below average in productivity and producing below average revenue per acre. There is no indication the tract, if remaining in state ownership, would be used for purposes other than grazing and it is likely the future income would remain relatively stable.

An appraisal of the property value has not been completed to date. Under DNRC rules, the appraisal would be conducted after preliminary approval to proceed is granted by the Board of Land Commissioners and the Department is conducting more detailed evaluations in order to make a final determination on whether to offer the tract for sale. However, at this time, given the real estate Market in the Madison Valley, we believe the value of this tract is above the average value of trust lands in the state.

Conservatively assuming an appraised value of \$1000/acre, the current annual return on the asset value for this tract is .12%.

Land Banking statute requires that land acquired as replacement property through Land Banking is "likely to produce more net revenue for the affected trust than the revenue that was produced from the land that was sold" (Section 77-2-364 MCA). Property considered for acquisition will include cropped or irrigated land, and/or land with recreational, timber, or commercial potential. All these land classifications or uses presently produce a higher rate of return on State Trust land than this parcel of State Trust land.

This would indicate a higher return on asset value could be expected under the Proposed Alternative (Sell).

EA Checklist Prepared By:	Name: Steve Lorch	Date: 5/24/2005
	Title: Kalispell Unit Planner	

V. FINDING

25. ALTERNATIVE SELECTED:

I have selected the proposed alternative, recommend the tract receive preliminary approval for sale and continue with the Land Banking process.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I have evaluated the comments received and potential environment affects and have determined significant environmental effects would not result from the proposed land sale. The tract does not have any unique characteristics, critical habitat or environmental conditions indicating the tract should necessarily remain under management by the Department of Natural Resources and Conservation. There are no indications the tract would produce substantially greater revenue or have substantially greater value to the trust in the near future.

The majority of comments received on the proposal were from adjacent land owners in the subdivision north of the State Trust Land who receive the recreational and aesthetic benefits of the State Trust Land. The primary concern is a new owner would develop the property for residential purposes and consequently the open space

would be lost. It is unknown what management of the property would occur under new ownership. Any future development proposals for subdivision would have impacts evaluated under state and local regulations at that time.

Several comments were received suggesting the Department place a conservation easement on the tract prior to sale under Land Banking. Currently, DNRC has limited statutory authority to issue a conservation easement on trust lands, and a conservation easement on this parcel is not an option. With or without a conservation lease, significant impacts would not occur as a result of the proposed action (sale of the parcel).

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS

More Detailed EA

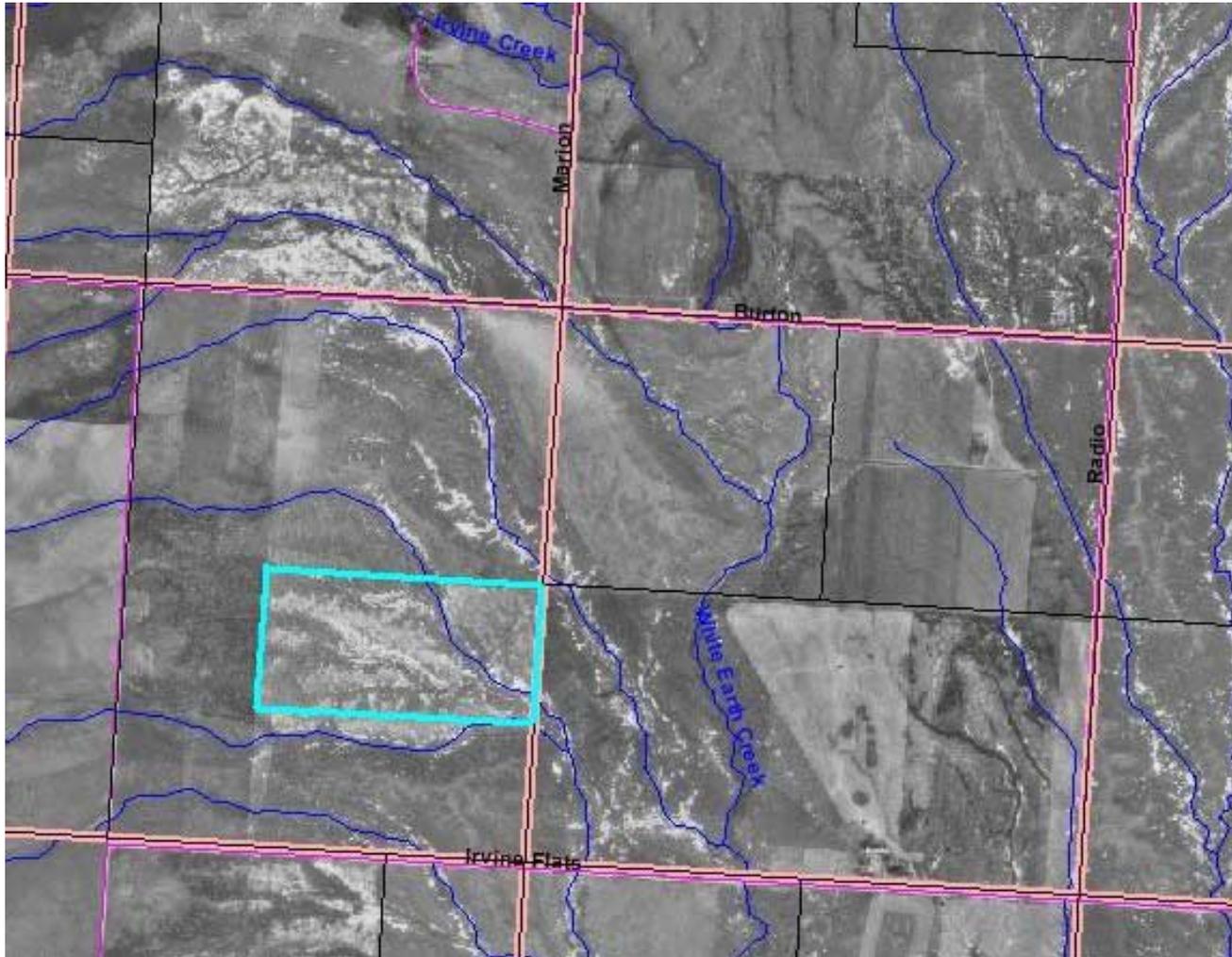
No Further Analysis

EA Checklist Approved By:	Name: Greg Poncin
	Title: Unit Manager, Kalispell Unit Office
Signature:	Date: June 13, 2005

Attachment A - Map

Attachment A – Map

Subject property outlined in blue located in the N2 SW 4 Section 3, T22N, R22W



**Attachment B—list of Contacts
Irvine Flat/Binger Scoping List**

Lake County Commissioners
106 4th Ave E
Polson, MT 59860

Sen. John Brueggeman
321 Lakeview Dr.
Polson, MT 58960

Rep. Janna Taylor
PO Box 233
Dayton, MT 59914

Rep. Jeanne Windham
894 Finley Point Rd
Polson, MT 59860-9171

Tribal Historic Preservation Office
Confederated Salish and Kootenai Tribes
P.O. Box 278
Pablo, MT. 59855

Jim Mann c/o
Daily Inter Lake
727 E Idaho
Kalispell, MT 59901

Kevin Chappell
Agriculture and Grazing Management Bureau
Trust Land Management Division
DNRC
P.O. Box 201601
Helena, MT 59620-1601

Mike Phares
DNRC, Forest Management Bureau
2705 Spurgin Road
Missoula, MT 5980

Dan Bushnell
DNRC, Information Tech Bureau
P.O. Box 201601
Helena, MT 59620-1601

Adjacent Landowner

James and Patricia Binger
1897 Buffalo Bridge Rd.
Big Arm, MT

