CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	2009 Land Banking Nomination
Proposed Implementation Date:	2009
Proponent:	Steve & Janelle Reiger
Location:	T8N-R56E-Sec22, S2, 320 Acres
County:	Fallon County
Trust Beneficiary:	Common Schools

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, 320 acres of 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 letter was distributed in September 2004 to all state surface lessees informing them of the Land Banking Program and requesting nominations.
- Legal notices were published in the Ekalaka Eagle, Jordan Tribune, Fallon County Times and the Miles City Star from 3/10/2009 through 4/10/2009.
- Direct mailings were made to lessees, adjacent landowners, County Commissioners and other concerned parties.
- Follow-up contacts were made by phone and mail with parties requesting additional information.
- The tracts were also posted on the DNRC web page at: http://dnrc.mt.gov/TLMSPublic/LandBanking/LBTest.aspx

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action; under this alternative the State would retain the existing land ownership pattern and would not sell the 320 acres of Trust Land contained in T8N-R56E-Sec22.

Alternative B- Under this alternative, the Department would request and recommend approval by the Land Board to sell the proposed land locked tract. If approved by the board, the sale would be at public auction. The income from the sale would be pooled with other land sale receipts from across the state to fun the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts.

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.

Soils on the tract consist of a silty/clay/shallow/saline complex. Soils are moderately to highly erosive in nature, no evidence of fragile or compactable soils on the tract. The USDA-NRCS soil survey indicated Land Capability Classification as a mixture of 3E, 4E, 6E and 7E. *("If properly managed, soils in classes 1,2,3,4 are suitable for the mechanized production of commonly grown field crops and pasture and woodland. The degree of the soil limitations affecting the production of cultivated crops increases progressively from class 1 to class 5. The limitations can affect levels of production and the risk of permanent soil deterioration caused by erosion and other factors. Soils in classes 5, 6, 7 are generally not suitable for mechanized productions without special management. Capability subclasses indicate the dominant limitations for mechanized production in the class E, shows that the main hazard is the risk of erosion unless a close growing plant cover is maintained." From* USDA-*NRCS Soil Survey).* Topography ranges from gently rolling to hilly to badlands. This tract is surrounded by native rangeland, it is unlikely that this tract would be broke for agricultural production in the future as it has been historically used as grazing land and no cropland is within the immediate area. The proposal does not involve any ground disturbance, therefore no soil effect differences between the alternatives. It is expected that this land will be used for livestock grazing purposes in the future. The State owns, and would retain ownership of all mineral rights associated with these tracts. No evidence of any unusual geological features.

Alternative A-No impact expected

Alternative B-No impact expected

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 is no recorded water right associated with the proposed tract for sale. Other water quality and/or quality issue will not be impacted by the proposed action.

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.

Pollutant and particulate levels are currently normal for the area; no increases in these levels are expected. The proposal does not include an on the ground activities, or changes to activities. Tract does not have any air quality regulations or zones.

Alternative A-No impact expected

Alternative B-No impact expected

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 range site on this tract is considered to be fairly productive and include thin silty/shallow areas. Species composition is dominated by grasses which include Western Wheatgrass (Agropyron smithii), Green Needlegrass (Stipa viridula), Bluebunch Wheatgrass (Agropyron spicatum), Prairie Sandreed (Calamovilfa longifolia), Prairie Junegrass (Koeleria pyramidata), Threadleaf Sedge (Carex filifolia), Six Weeds Fescue (Vulpia octoflora), Sandberg Bluegrass (Poa secunda), Needle and Thread (Stipa comata) and Blue Grama (Bouteloua gracilis). Sub-dominate species include various forbs and woody species. Current range condition is fair with an estimated carrying capacity or stocking rate assessed at .21 AUMs per acre.

Vegetation may be affected by numerous land management activities including livestock grazing, development or wildlife management. It is unknown what land use activities may be associated with a change in ownership; however the vegetation on this tract is typical of land throughout the vicinity and there are no known rare, unique cover types or vegetation on the tract. It is expected that this tract will be used for grazing livestock in the future. The proposal does not include an on the ground activities or changes to activities and therefore we do not expect any direct or cumulative effects would occur to vegetation as a result of this proposal.

Alternative A-No impact expected

Alternative B-No impact expected

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.

The parcel of state trust land is used by a variety of wildlife species typical of use on undeveloped lands throughout the county. Wildlife populations can be affected by land use activities associated with livestock grazing, residential development or agricultural practices. The area is not considered critical wildlife habitat. However, this tract provides habitat for a variety of big game species (mule deer, whitetail deer, pronghorn antelope), predators (coyote, fox, badger), upland game birds, other non-game mammals, raptors and various songbirds. Wildlife use on this section is not seasonal in nature.

Alternative A-No impact expected

Alternative B-No impact expected

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.

A search of the Montana Natural Heritage Program database shows the habitat and nesting/foraging area for the sensitive species Greater Sage Grouse has been noted and is centralized in the area of this section. Sage grouse leks, while present in the general area, are not present on this state trust land proposed for sale in Fallon County. The proposal does not include any activities which could alter any habitat, so no effects are expected in either alternative.

Alternative A-No impact expected

Alternative B-No impact expected

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

No historic and/or archaeological sites were noted in the past DNRC field evaluation forms. However, a class III level inventory and subsequent evaluation of cultural and paleontological 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.

This tract is located in a rural area of Fallon County and is not highly visible from a county road. The state land does not provide any unique scenic qualities not also provided on adjacent private lands. The proposal does not include any on the ground activities; therefore there should be no change to the aesthetics in either alternative.

Alternative A-No impact expected

Alternative B-No impact expected

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.

There are 5,155,545.98 acres of Trust land surface ownership in Montana. There are approximately 69,895.91 acres of Trust land in Fallon County. There are 62,047.76 acres of trust land classified as grazing within Fallon County. This proposal includes 320 acres, or approximately .004 percent of the state land within the county and .005 percent of classified grazing acres on state land within the county.

The potential transfer of ownership will not have any impact or demands on environmental resources of land, water, air or energy.

Alternative A-No impact expected

Alternative B-No impact expected

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.

There are no other projects or plans being considered on the tracts listed on this Environmental Assessment.

This is the only tract in Carter County being proposed for sale under the Land Banking Program.

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 should occur as a result of the proposal.

Alternative A-No impact expected

Alternative B-No impact expected

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:
Identify how the project would add to or alter these activities.

There is very little potential in this area for industrial, commercial and agricultural development; therefore activities in these areas are expected to remain the same. No direct or cumulative impacts are anticipated as a result of the proposal.

Alternative A-No impact expected

Alternative B-No impact expected

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 should have no affect on quantity and distribution of employment.

Alternative A-No impact expected

Alternative B-No impact expected

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.

Alternative A-No impact expected

Alternative B- The parcel would move from tax exempt status to taxable status, which will provide income to Carter County. The exact amount is unknown until assessor appraisal is completed.

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

Being remote grazing land, no traffic changes would be anticipated. The propose action would also not create any added demand on public services such as water, electric or telephone services. Overall, no direct or cumulative impacts are anticipated as a result of the proposal.

Alternative A-No impact expected

Alternative B-No impact expected

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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.

This tract is surrounded by private land. There are no zoning or other agency management plans affecting this land.

Alternative A-No impact expected

Alternative B-No impact expected

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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.

This is an isolated parcel with no type of legal access; in addition there are no recreational or wilderness areas nearby or accessed though this parcel.

Alternative A-No impact expected

Alternative B-No impact expected

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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.

This proposal does not include any changes to housing or developments.

Alternative A-No impact expected

Alternative B-No impact expected

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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.

Alternative A-No impact expected

Alternative B-No impact expected

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

Eastern Montana has a rich history of farming & ranching. The State Trust Land in this proposal is currently managed for grazing. The State Land is generally indistinguishable from the adjacent private lands, with no unique quality.

The potential sale of this 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.

Alternative A- No impact expected

Alternative B- The sale of the state land should 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 70 Animal Unit Months (.21 AUM/Acre) at an average rate of $6.20/AUM and generating an income of $452.43 or approximately $1.41/acre (3 year average). Based on the DNRC Annual Report for Fiscal Year 2004, the average income for the 4.3 million acres of grazing land was $1.83/acre with an average productivity of .25 acres/ AUM. 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. This tract overall looks to have low appreciation potential along with high administrative costs.

An appraisal of the property value has not been completed to date. Under DNRC rules, an appraisal would be conducted if preliminary approval to proceed is granted by the Board of Land Commissioners. The Department is conducting a more detailed evaluation at this time in order to make a determination on whether to offer this tract for sale. 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 be adjacent to other trust lands which would provide greater management opportunities and income. If replacement property was not purchased prior to expiration of the statue, the revenue would be deposited in the permanent trust for investment.

EA Checklist Prepared By:	**Name:**	Tina Hirsch	**Date:**	9/29/08
	Title:	Land Use Specialist		

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B, recommend the tract receive preliminary approval for sale and continue with the Land Banking process.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

Evaluation of the comments received and potential environmental affects have determined significant environmental affects 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 great value to the trust in the near future.

The tract is entirely surrounded by private lands which control access to the state land and which will likely remain unchanged if the parcel is sold. It is likely the tract will continue to be managed in a manner consistent with the surrounding private land.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

[ ] EIS [ ] More Detailed EA [X] No Further Analysis

EA Checklist Approved By:	**Name:** Rick Strohmyer **Title:** Area Manager	
Signature: Rick Strohmyer		**Date:** 4-15-09