

AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
Thursday, April 19, 2012, at 9:00 a.m.
Scott Hart Auditorium
Helena, MT

ACTION ITEMS

412-1 FWP: FULL CURL WILDLIFE MANAGEMENT AREA ACQUISITION

Benefits: NA (non-trust land under FWP administration)

Location: Sanders County

APPROVED 5-0

412-2 TIMBER SALES

A. ASHLEY LAKE

Benefits: Common Schools

Location: Flathead County

APPROVED 5-0

B. LIVERSTONE

Benefits: MSU and Public Buildings

Location: Lewis and Clark County

APPROVED 5-0

C. MCNAMARA LANDING

Benefits: Common Schools

Location: Missoula County

APPROVED 5-0

D. SCOUT LAKE #1

Benefits: Common Schools

Location: Lake County

APPROVED 5-0

E. SCOUT LAKE #2

Benefits: Common Schools

Location: Lake County

APPROVED 5-0

F. UPPER WHITEFISH

Benefits: Common Schools

Location: Flathead County

APPROVED 5-0

412-3 PRELIMINARY APPROVAL FOR LAND BANKING ACQUISITION MILK RIVER

RANCH: HILL COUNTY

Benefits: Common Schools

Location: Hill County

APPROVED 5-0

412-4 EASEMENTS

A. RIGHTS-OF-WAY

Benefits:

Location:

APPROVED 5-0

B. YOUNGS CREEK MINING CO. LLC RAILROAD SPUR EASEMENT

Benefits: Common Schools

Location: Big Horn County

APPROVED 5-0: The motion made was to postpone decision on the easement until next month so DNRC could perform more analysis.

PUBLIC COMMENT

Complete agenda item information can be found on the DNRC website.

<http://dnrc.mt.gov/LandBoard/Default.asp>

MINUTES
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
Monday, March 19, 2012 at 9:00 a.m.
State Capitol
Helena, MT

Please note: *The Land Board has adopted the audio recording of its meetings as the official record, as allowed by [2-3-212, MCA](#). These minutes provide an abbreviated summary of the Land Board discussion, public testimony, action taken, and other activities. The time designations listed are approximate and may be used to locate the referenced discussion on the audio recording of this meeting. Access to an electronic copy of these minutes and the audio recording is provided from the Land Board webpage at <http://dnrc.mt.gov/LandBoard>. The written minutes summary, along with the audio recordings, are listed by meeting date on the Land Board Archive webpage.*

Members Present

Governor Brian Schweitzer
Attorney General Steve Bullock
Commissioner of Securities and Insurance Monica Lindeen
Secretary of State Linda McCulloch
Superintendent of Public Instruction Denise Juneau

Members Absent

None

Testifying Staff

DNRC Director Mary Sexton

Attachments

Related Materials, Attachment 1 – Sign-in sheet
Related Materials, Attachment 2 – Whitefish Legacy Partners letter to the Land Board

Call to Order

00:00:01 Governor Schweitzer called the meeting to order.
00:00:06 Ms. McCulloch moved to approve the February 21, 2012, minutes. The motion was seconded by Ms. Juneau and carried unanimously.
00:00:15 Ms. Sexton

Business Considered

312-1 Rejection of High Bid and Award of Lease

00:02:30 Ms. Sexton gave an overview of the item.
00:02:34 Ms. Lindeen moved to reject Ron Kienenberger's high bid and to award the lease to Donald Wilkes for his bid of \$10 per AUM. The motion was seconded by Ms. Juneau and carried unanimously.

312-2 Timber Sales

A. Lower Corona

B. North Fork Valley Creek (Contract Harvest)

00:02:43 Ms. Sexton gave an overview of items 312-2A and 312-2B, which were taken as a block.
00:04:19 Mr. Bullock moved to approve items 312-2A and 312-2B. The motion was seconded by Ms. Lindeen and carried unanimously.

312-3 Oil and Gas Lease Sale (March 6, 2012)

00:04:37 Ms. Sexton gave an overview of the item.

00:06:15 Ms. McCulloch moved to approve the oil and gas lease sale. The motion was seconded by Mr. Bullock.

Board Discussion/Questions

00:06:23 Governor Schweitzer

00:11:36 The motion to approve of the oil and gas lease sale was carried unanimously.

00:11.41 Ms. Sexton

312-4 Preliminary Approval for DNRC/Peebles Lazy F6 Land Exchange

00:11:53 Ms. Sexton gave an overview of the item.

00:14:19 Ms. McCulloch moved for preliminary approval of the land exchange. The motion was seconded by Ms. Lindeen.

Board Discussion/Questions

00:14:30 Governor Schweitzer

00:14:50 Ms. Sexton

00:15.01 Governor Schweitzer

00:15:05 The motion for preliminary approval of the land exchange was carried unanimously.

312-5 Set Minimum Bid for Land Banking Parcels

A. Deer Lodge County

B. Hill County

00:15:10 Ms. Sexton gave an overview of items 312-5A and 312-5B, which were taken as a block.

00:17:54 Ms. McCulloch moved to set the minimum bid for items 312-5A and 312-5B. The motion was seconded by Mr. Bullock.

Board Discussion/Questions

00:18:05 Mr. Bullock

00:18:39 Ms. Lindeen

00:18:57 Ms. Sexton

00:19:12 Ms. Lindeen

00:19:15 Ms. Sexton

00:19:25 The motion to set the minimum bid for items 312-5A and 312-5B was carried unanimously.

312-6 Easements

00:19:30 Ms. Sexton gave an overview of the item.

00:20:12 Ms. Lindeen moved to approve the easements. The motion was seconded by Ms. McCulloch and carried unanimously.

Information Item

312-7 Whitefish Neighborhood Plan – Whitefish Legacy Partners Update

00:20:24 Ms. Sexton gave an overview of the item.

Public Comment

00:22:13 John Muhlfeld, Whitefish Mayor

00:28.35 Lindsay Akey, Whitefish Legacy Partners Chair

Board Discussion/Questions

00:32:01 Governor Schweitzer

00:33:40 Ms. McCulloch

General Public Comment

None

Adjournment

00:34:16 Adjournment

PRESIDENT

ATTEST

/s/ Brian Schweitzer

Brian Schweitzer, Governor

/s/ Mary Sexton

Mary Sexton, DNRC Director



P.O. Box 158 • Whitefish, MT 59937 • (406) 863-2400 • Fax: (406) 863-2419

March 19, 2012

Dear Montana Board of Land Commissioners,

On behalf of the community of Whitefish and project stakeholders, thank you for your time today. We are excited and eager to preview our next major collaborative project under the Whitefish Area School Trust Lands Neighborhood Plan (Plan). Adopted by this Land Board in 2004, the Plan emphasizes innovative, public-private conservation and recreation based transactions.

The heart of the next set of public/private transactions is the creation of permanent public recreational access easements on over 1,500 acres of land in the Beaver Lake sub-unit to ensure these treasured lands are available for our children and future generations of Montanans to enjoy. The easements, purchased by WLP and held by the City of Whitefish, would limit residential and commercial development, provide public access to these key community assets, and would continue to be managed for the production of wood products under the provisions of the State Forest Land Management Plan.

As you may recall, the centerpiece of the last set of public/private transactions under the Plan was the "Whitefish Trail." In 2010, City of Whitefish and our partners cut the ribbon on what has grown, in two short years, into 19 miles of trail on public and private lands winding through Whitefish's backcountry. Just minutes from downtown, this popular amenity provides a source of revenue for Montana's trust beneficiaries, in addition to the traditional revenue received from forest product sales.

The details of the public and private transactions necessary to accomplish this goal are in the formative stages. We look forward to a continued dialogue with the larger community and stakeholders as we refine the proposal for your review and final approval. In the meantime, we are pleased to have broad regional support for this integral community asset that not only benefits Whitefish, but all of Montana.

Thank you again for your time and consideration.

Sincerely,

City of Whitefish

Hon. John Muhlfeld, Mayor

Whitefish Legacy Partners

Lindsay Akey, Chair

WHITEFISH LEGACY LANDS

PLACES

worth protecting

...the time is now

What will be your legacy? What will you leave for your children, and your children's children? Folks who are lucky enough to live in the shadows of Glacier National Park in Whitefish, Montana know what's really important in life. Clean water. Thriving forests. Uncluttered views. Wildlife. And most importantly... the ability to access, recreate and enjoy the public lands surrounding Whitefish. Fifty years ago adventurous families caught trout in Beaver Lake, explored the wildlands of Swift Creek, and hiked the

ridges of Spencer Mountain. Those same adventurous families formed Whitefish LP in 2003 to ensure that the opportunities in Whitefish's backyard will be available for another fifty years WLP, along with our partners including the City of Whitefish, Department of Natural Resources and Conservation, Montana State Parks, private landowners and most importantly the community at large are all working together to achieve these goals. Permanent recreation. Conservation. Access. This is our legacy. Help us protect it.

“There can be no greater issue than that of conservation in this country.”

~ Theodore Roosevelt





How WLP PROTECTS these places

CREATE THE LEGACY

Conservation is a thread that unites all Montanans. Protecting and preserving our clean water, unpolluted air, wildlife habitat and access to wide open spaces and public land is vital to preserving our quality of life. Loss of these special places puts the Whitefish community at risk.

In 2010 WLP and the City of Whitefish began construction of the Whitefish Trail, a pathway that links our community to these important public places such as Lion Mountain, Beaver Lakes and Spencer Mountain. This innovative endeavor, which blends public and private entities, has resulted in 19 miles of trail and five trailheads. WLP and our partners will continue to create unprecedented solutions that permanently protect these important places. Join us to leave a legacy.

“The recreational access which generations of Montanans have enjoyed, and possibly taken for granted, is growing more scarce. It is our hope that we can secure those essential values which serve as the backbone of the local and state economy – recreational access to those famed wide open spaces.”

— Board Chair, Lin Akey

SIMPLE ECONOMICS

Why invest in our most valuable community asset? It's simple. Healthy forests, clean water and stunning views equate to one thing: a strong economy and a steady stream of revenue for Montana's schools and universities. These special places may not exist in the next fifty years unless we invest TODAY.

HOW CAN YOU HELP?

Donate. Volunteer. Advocate. Your gift regardless of size, is an investment in Whitefish's future. Visit our web page for a list of our volunteer opportunities and events. Most importantly...advocate! Take a hike on the Whitefish Trail, be a conservation champion and let your voice be heard.





WHITEFISH LEGACY LANDS

SECURING WHITEFISH'S OUTDOOR HERITAGE

Beaverhead Lakes/Skyles: Pristine waters and beautiful forests have inspired families for generations to float, hike, and camp in quiet seclusion minutes from downtown.

- Create a permanent public, undeveloped recreation area.
- Protect key viewsheds and enhance public trails through private conservation.

Spencer Mtn: A community-revered recreational asset that includes sweeping views, adrenaline-filled mountain biking and hiking opportunities for all.

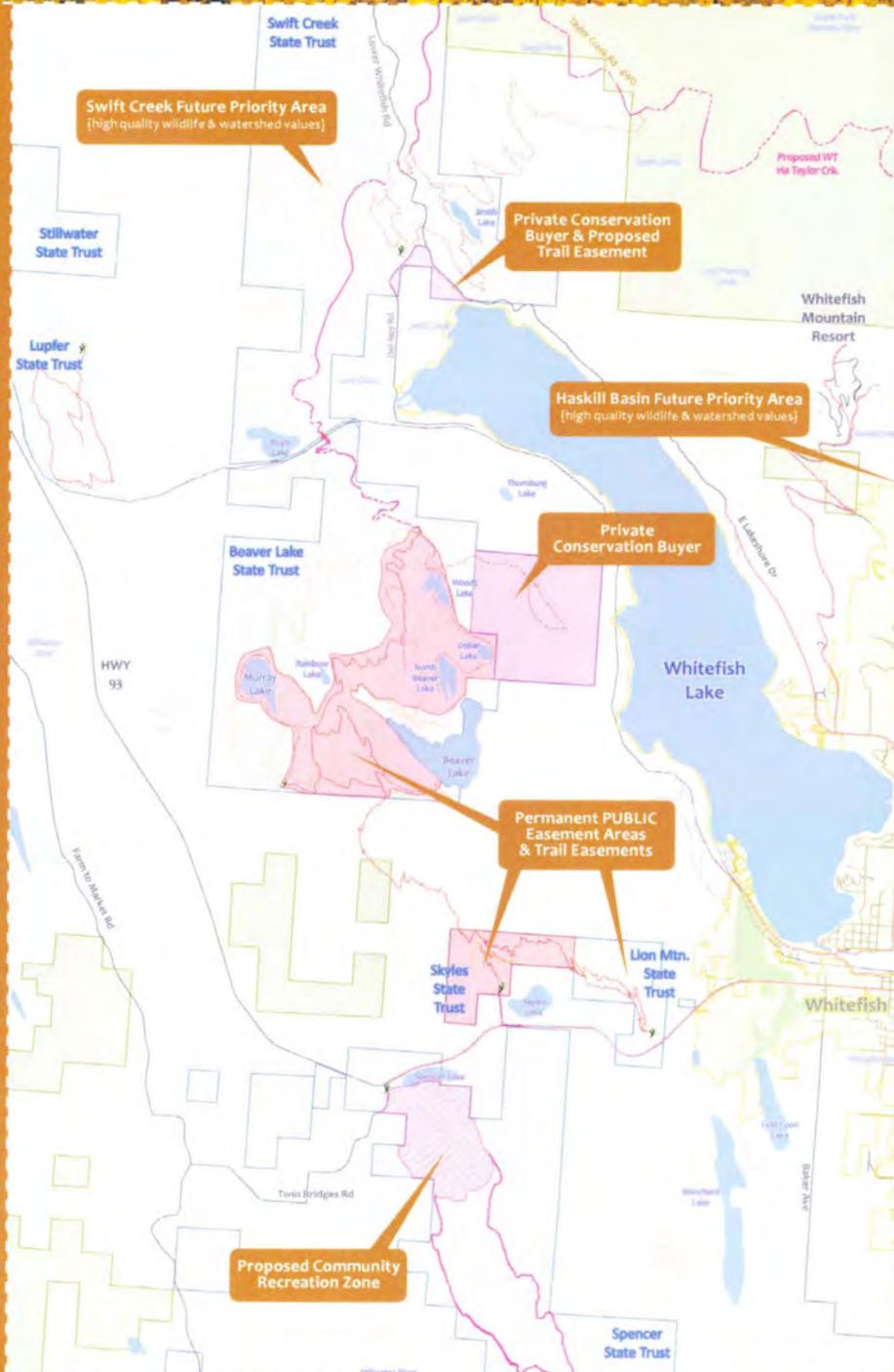
- Create a ten-year Community Recreation Zone.
- Future planning for recreation permanence.

Lazy & Swift Creeks: This area's untamed creeks, forests and wetlands, foster abundant wildlife and clean drinking water for the Whitefish community.

- Create family oriented recreation area for fishing, hiking, and biking.
- Protect key viewsheds and enhance public trails through private conservation.

And Beyond: Connecting the Whitefish Trail to Taylor Creek and Whitefish Mtn. Resort...minutes from our back door!

- Taylor Creek's connectivity to Whitefish Mountain Resort and continuation of the Whitefish Trail.
- Haskill Basin's high quality watershed, wildlife habitat and extensive recreation is a future priority.
- And more...



IMPLEMENTING THE 2004 WHITEFISH NEIGHBORHOOD PLAN

- Public Recreation & Conservation Areas - Proposed Easements on 1480 acres
- Lion Mtn. Whitefish Trail Easement - ~3 miles
- Community Recreation Zone - Proposed 10 yr. Term Lease or License - 350 acres
- Conservation Buyers - 690 acres proposed with Recreation & Management Planning for Spencer Mtn., Beaver Lakes & Swift Creek DNRC State Trust Lands

WHITEFISH LEGACY LANDS

2012 PUBLIC RECREATION & CONSERVATION INITIATIVE

- Whitefish Trail (WT) - established 2010 - 76 miles
- WF Neighborhood Plan "concept" trail
- Future Trails & Easements - conceptual location
- 10 year Term Lease Trails
- Trailheads, Proposed TH's & Parking Areas
- City of Whitefish Fish Trails - existing & proposed
- Montana State Trust Lands
- United States Forest Service
- City of Whitefish
- City of Whitefish Parks

Miles 0 0.5 1 2

March 2012, WLF/DFP



P.O. Box 158 • Whitefish, MT 59937 • (406) 863-2400 • Fax: (406) 863-2419

March 19, 2012

Dear Montana Board of Land Commissioners,

On behalf of the community of Whitefish and project stakeholders, thank you for your time today. We are excited and eager to preview our next major collaborative project under the Whitefish Area School Trust Lands Neighborhood Plan (Plan). Adopted by this Land Board in 2004, the Plan emphasizes innovative, public-private conservation and recreation based transactions.

The heart of the next set of public/private transactions is the creation of permanent public recreational access easements on over 1,500 acres of land in the Beaver Lake sub-unit to ensure these treasured lands are available for our children and future generations of Montanans to enjoy. The easements, purchased by WLP and held by the City of Whitefish, would limit residential and commercial development, provide public access to these key community assets, and would continue to be managed for the production of wood products under the provisions of the State Forest Land Management Plan.

As you may recall, the centerpiece of the last set of public/private transactions under the Plan was the "Whitefish Trail." In 2010, City of Whitefish and our partners cut the ribbon on what has grown, in two short years, into 19 miles of trail on public and private lands winding through Whitefish's backcountry. Just minutes from downtown, this popular amenity provides a source of revenue for Montana's trust beneficiaries, in addition to the traditional revenue received from forest product sales.

The details of the public and private transactions necessary to accomplish this goal are in the formative stages. We look forward to a continued dialogue with the larger community and stakeholders as we refine the proposal for your review and final approval. In the meantime, we are pleased to have broad regional support for this integral community asset that not only benefits Whitefish, but all of Montana.

Thank you again for your time and consideration.

Sincerely,

City of Whitefish

Hon. John Muhlfeld, Mayor

Whitefish Legacy Partners

Lindsay Akey, Chair

WHITEFISH LEGACY LANDS

PLACES

worth protecting

...the time is now

What will be your legacy? What will you leave for your children, and your children's children? Folks who are lucky enough to live in the shadows of Glacier National Park in Whitefish, Montana know what's really important in life. Clean water. Thriving forests. Uncluttered views. Wildlife. And most importantly... the ability to access, recreate and enjoy the public lands surrounding Whitefish. Fifty years ago adventurous families caught trout in Beaver Lake, explored the wildlands of Swift Creek, and hiked the

ridges of Spencer Mountain. Those same adventurous families formed Whitefish LP in 2003 to ensure that the opportunities in Whitefish's backyard will be available for another fifty years WLP, along with our partners including the City of Whitefish, Department of Natural Resources and Conservation, Montana State Parks, private landowners and most importantly the community at large are all working together to achieve these goals. Permanent recreation. Conservation. Access. This is our legacy. Help us protect it.

“There can be no greater issue than that of conservation in this country.”

~ Theodore Roosevelt





How WLP PROTECTS these places

CREATE THE LEGACY

Conservation is a thread that unites all Montanans. Protecting and preserving our clean water, unpolluted air, wildlife habitat and access to wide open spaces and public land is vital to preserving our quality of life. Loss of these special places puts the Whitefish community at risk.

In 2010 WLP and the City of Whitefish began construction of the Whitefish Trail, a pathway that links our community to these important public places such as Lion Mountain, Beaver Lakes and Spencer Mountain. This innovative endeavor, which blends public and private entities, has resulted in 19 miles of trail and five trailheads. WLP and our partners will continue to create unprecedented solutions that permanently protect these important places. Join us to leave a legacy.

“The recreational access which generations of Montanans have enjoyed, and possibly taken for granted, is growing more scarce. It is our hope that we can secure those essential values which serve as the backbone of the local and state economy – recreational access to those famed wide open spaces.”

— Board Chair, Lin Akey

SIMPLE ECONOMICS

Why invest in our most valuable community asset? It's simple. Healthy forests, clean water and stunning views equate to one thing: a strong economy and a steady stream of revenue for Montana's schools and universities. These special places may not exist in the next fifty years unless we invest TODAY.

HOW CAN YOU HELP?

Donate. Volunteer. Advocate. Your gift regardless of size, is an investment in Whitefish's future. Visit our web page for a list of our volunteer opportunities and events. Most importantly...advocate! Take a hike on the Whitefish Trail, be a conservation champion and let your voice be heard.





WHITEFISH LEGACY LANDS

SECURING WHITEFISH'S OUTDOOR HERITAGE

Beaverhead Lakes/Skyles: Pristine waters and beautiful forests have inspired families for generations to float, hike, and camp in quiet seclusion minutes from downtown.

- Create a permanent public, undeveloped recreation area.
- Protect key viewsheds and enhance public trails through private conservation.

Spencer Mtn: A community-revered recreational asset that includes sweeping views, adrenaline-filled mountain biking and hiking opportunities for all.

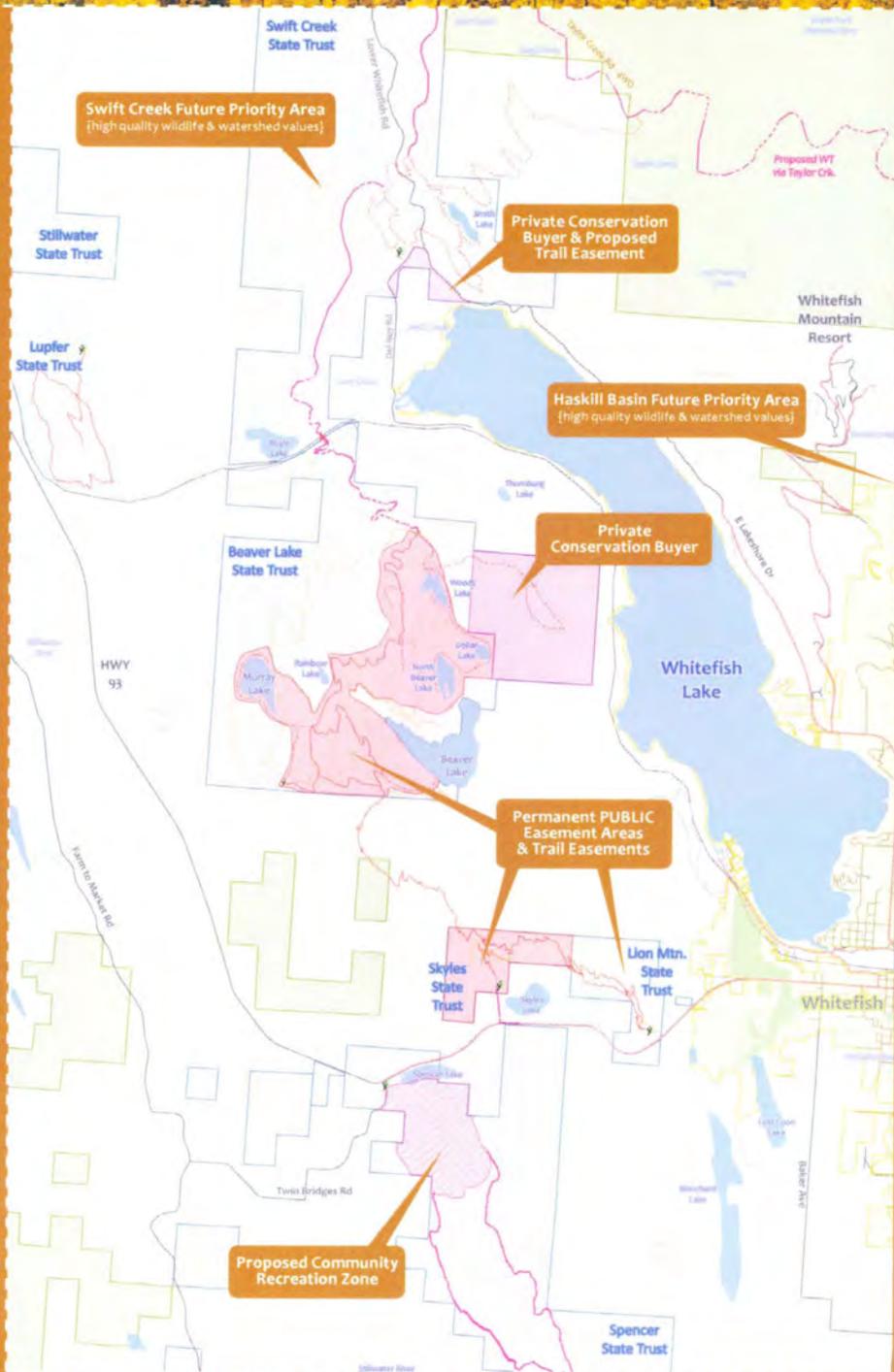
- Create a ten-year Community Recreation Zone.
- Future planning for recreation permanence.

Lazy & Swift Creeks: This area's untamed creeks, forests and wetlands, foster abundant wildlife and clean drinking water for the Whitefish community.

- Create family oriented recreation area for fishing, hiking, and biking.
- Protect key viewsheds and enhance public trails through private conservation.

And Beyond: Connecting the Whitefish Trail to Taylor Creek and Whitefish Mtn. Resort...minutes from our back door!

- Taylor Creek's connectivity to Whitefish Mountain Resort and continuation of the Whitefish Trail.
- Haskill Basin's high quality watershed, wildlife habitat and extensive recreation is a future priority.
- And more...



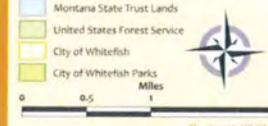
IMPLEMENTING THE 2004 WHITEFISH NEIGHBORHOOD PLAN

- Public Recreation & Conservation Areas - Proposed Easements on 1480 acres
- Lion Mtn. Whitefish Trail Easement - ~3 miles
- Community Recreation Zone - Proposed 10 yr. Term Lease or License - 350 acres
- Conservation Buyers - 690 acres proposed with Recreation & Management Planning for Spencer Mtn., Beaver Lakes & Swift Creek DNRC State Trust Lands

WHITEFISH LEGACY LANDS

2012 PUBLIC RECREATION & CONSERVATION INITIATIVE

- Whitefish Trail (WT) - established 2010 - 70 miles
- WF Neighborhood Plan "concept" trail
- Future Trails & Easements - conceptual locations
- 10 year Term Lease Trails
- Trailheads, Proposed TH's & Parking Areas
- City of Whitefish Fish Trails - existing & proposed
- Montana State Trust Lands
- United States Forest Service
- City of Whitefish
- City of Whitefish Parks



412-1

FWP: FULL CURL WILDLIFE MANAGEMENT
AREA ACQUISITION

**FULL CURL WILDLIFE MANAGEMENT AREA ACQUISITION
FACT SHEET
APRIL 2012**

FWP proposes to acquire 438 acres from Glacier Bank of Kalispell along the Flathead River, 10 miles southeast of Plains. Funding would come from Big Horn Sheep auction funds in the amount of approximately \$425,000. The land provides excellent spring, fall, and winter habitat for the Perma-Paradise (Knowles Creek) bighorn sheep herd and mule deer. The southerly aspect of this property contributes to its importance as winter range for these species. The steep cliffs provide critical lambing areas and escape habitat for bighorn sheep. Bighorn sheep also use the property during the summer. The Perma-Paradise bighorn herd has an estimated current population of 300-375 bighorns. Hunter access in HD 124 is very limited. This property provides critical hunting access to land north of the Flathead River, and the adjacent Department of Natural Resources and Lolo National Forest properties. In addition, the land has 1 5/8 miles of Flathead River frontage. This property would be managed similar to other bighorn sheep WMAs in the lower Clark Fork region.

REQUESTED ACTION:	>	Approval of Fee Acquisition
OWNER:	>	Glacier Bank
PROPERTY RIGHT TO BE ACQUIRED:	>	Fee Title
PROPERTY DATA:	>	Property located in Sanders County, Montana 10 miles southeast of Plains
COST and FUNDING SOURCES:	>	\$425,000 Big Horn Sheep Auction Funds
PROCESS:	>	Draft Environmental Assessment distributed FWP Public Meeting 02/10/12 30-day comment period ended 03/12/12 Decision Notice issued 03/13/12 FWP Commission Approval Pending



Full Curl Property Acquisition
DECISION NOTICE AND FINAL ENVIRONMENTAL ASSESSMENT
Prepared by Montana Fish, Wildlife & Parks, Region One
March 13, 2012



Logo of the Sanders County Commissioners



Local Café in Thompson Falls

**As evident from the graphics above,
bighorn sheep are part of the culture and heritage of Sanders County.**

OVERALL PROPOSAL

Fish, Wildlife & Parks (FWP), Region One, proposes to complete the fee-title acquisition of approximately 438 acres of property located in Sanders County. This parcel is adjacent to the Flathead Indian Reservation and is located about 10 miles southeast of Plains, Montana. The land provides excellent spring, fall, and winter habitat for the Perma-Paradise (Knowles Creek) bighorn sheep herd and mule deer. The southerly aspect of this property contributes to its importance as winter range for these species. The steep cliffs provide critical lambing areas and escape habitat for bighorn sheep. Bighorn sheep also use the property during the summer. The Perma-Paradise bighorn herd has an estimated current population of 300-375 bighorns. Hunter access in HD 124 is very limited. This property provides critical hunting access to land north of the Flathead River, and the adjacent Department of Natural Resources and Lolo National Forest properties. In addition, the land has 1 5/8 miles of Flathead River frontage. This property would be managed similar to other bighorn sheep WMAs in the lower Clark Fork region.

SELECTED ALTERNATIVE

FWP recommends that the FWP Commission approve Alternative A, the proposed action in the draft EA. FWP would acquire the Glacier Bank-Full Curl property located in Sanders County, 10

miles southeast of Plains, Montana. Through fee-title ownership, FWP would have the opportunity to protect this area from development and maintain its natural habitat values. FWP would manage weeds and provide public access.

Alternative A compliments FWP's management of the Perma-Paradise bighorn sheep herd and helps to maintain and manage habitat for a variety of wildlife and for a variety of compatible public uses. FWP co-manages this bighorn sheep herd with the Confederated Salish and Kootenai Tribes.

SUMMARY OF PUBLIC COMMENTS

FWP received considerable public support for this proposal during project exploration and development. The draft EA was made available to interested individuals, groups, and agencies, and a public hearing at the Sanders County Courthouse in Thompson Falls was held on Wednesday, February 22, 2012, to discuss the proposal and receive public comment. All ten attendants spoke positively for the project. In addition, 22 written comments were received by FWP. Again, all but one were in favor of the proposal.

There was a 30-day public review, from February 10, 2012, through March 12, 2012. With the exception of one individual, FWP has received all positive comments from the public regarding this project.

Issues Identified through Public Comment:

Habitat/Access Issues:

1. Allow public hunting.
2. No cattle grazing but hay production is OK.
3. Maintain cattle grazing opportunities for the future.
4. Remove fences for wildlife passage.
5. Maintain fishing access site across from property to facilitate access.
6. Keep the barge.
7. Maintain the prescriptive easement.

FWP Habitat/Access issue response:

See management plan note (*) below.

This property would be wrapped into our current WMA habitat program that emphasizes public hunting access and bighorn sheep conservation. Although hay production and fire are the most likely habitat management tools, FWP plans to reserve the option to utilize cattle grazing to manage forage to benefit wildlife. FWP is negotiating the purchase of the irrigation equipment on the property to maintain the existing hay field. Fence removal is also planned to improve wildlife movement through and across the property. The fishing access site is currently maintained for public use by FWP and will continue. FWP does not plan to purchase the old barge from Glacier Bank due to liability issues and current condition. Instead, we plan to use one of our boats to carry an ATV across the river for needed management.

*** Proposed Management Plan:**

The Full Curl property will become part of the local bighorn sheep Wildlife Management Areas and managed similarly to the rest of the WMAs to provide and protect habitat for a diversity of wildlife species. Little is expected to change from the current management of this area. Weeds will continue to be monitored and will be sprayed if necessary. The emphasis will be on maintaining the quality of the area for bighorn sheep. The pasture should be retained as this provides an important feeding area for wildlife. The property presents some very unique access and management challenges since there is no vehicle access onto the property. Necessary equipment will be moved using an FWP boat. FWP manages and owns the FAS just across the Flathead River, so boat access will be no problem.

Land Acquisition Concern Issue:

1. One comment stated that the government should not buy any more land and that we should instead use this money for other FWP management priorities.

FWP Land Acquisition issue response:

FWP only acquires lands that represent critical fish/wildlife habitats or lands that represent high value for public access and/or recreation. In this case the acquisition will help conserve the winter range for the Perma-Paradise bighorn sheep herd in Hunting District 124 using dollars generated from the auction of the Governor's Sheep Permit. State law specifies that the money FWP receives from the sale of this single permit can only be used for management of bighorn sheep, and not for salaries or wolf, deer, or elk management, as was suggested in the comment.

Cultural Resource Issue:

1. One comment raised the concern over increased public access and potential negative impacts on cultural resources.

FWP Cultural Resources Concern Issue response:

FWP is also concerned about negative impacts on cultural resources. The property is directly adjacent to the Confederated Salish and Kootenai Tribes Reservation and represents an area of historical use by tribal members. Based on this concern, a cultural resource file search from the State Historic Preservation Office was completed. The State Historic Preservation Office estimates a low likelihood of negative impacts on cultural resources resulting from the acquisition for conservation purposes. Further, FWP supports the Confederated Salish and Kootenai Tribes' Preservation Department conducting more work on the property and will provide unencumbered access. By preventing the residential subdivision of this property, the conservation of existing cultural resources will be enhanced. Recreational use is projected to be primarily hunting access and limited summer bank fishing.

Sanders County Tax Issue:

1. One comment raised the concern over potential loss of tax dollars.

FWP County Tax Issue response:

FWP will make annual payments of assessed property taxes to Sanders County on all of our wildlife management area properties.

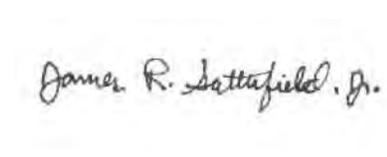
NEED FOR EIS and FINAL EA

After issuing the draft EA and completing public review, FWP does not believe this proposed action would significantly impact the social or physical environment and therefore believes this project does not need an environmental impact statement. FWP adopts the draft EA as the final EA.

THE DECISION

The Department recommends completion the Glacier Bank-Full Curl property acquisition as described in this decision document.

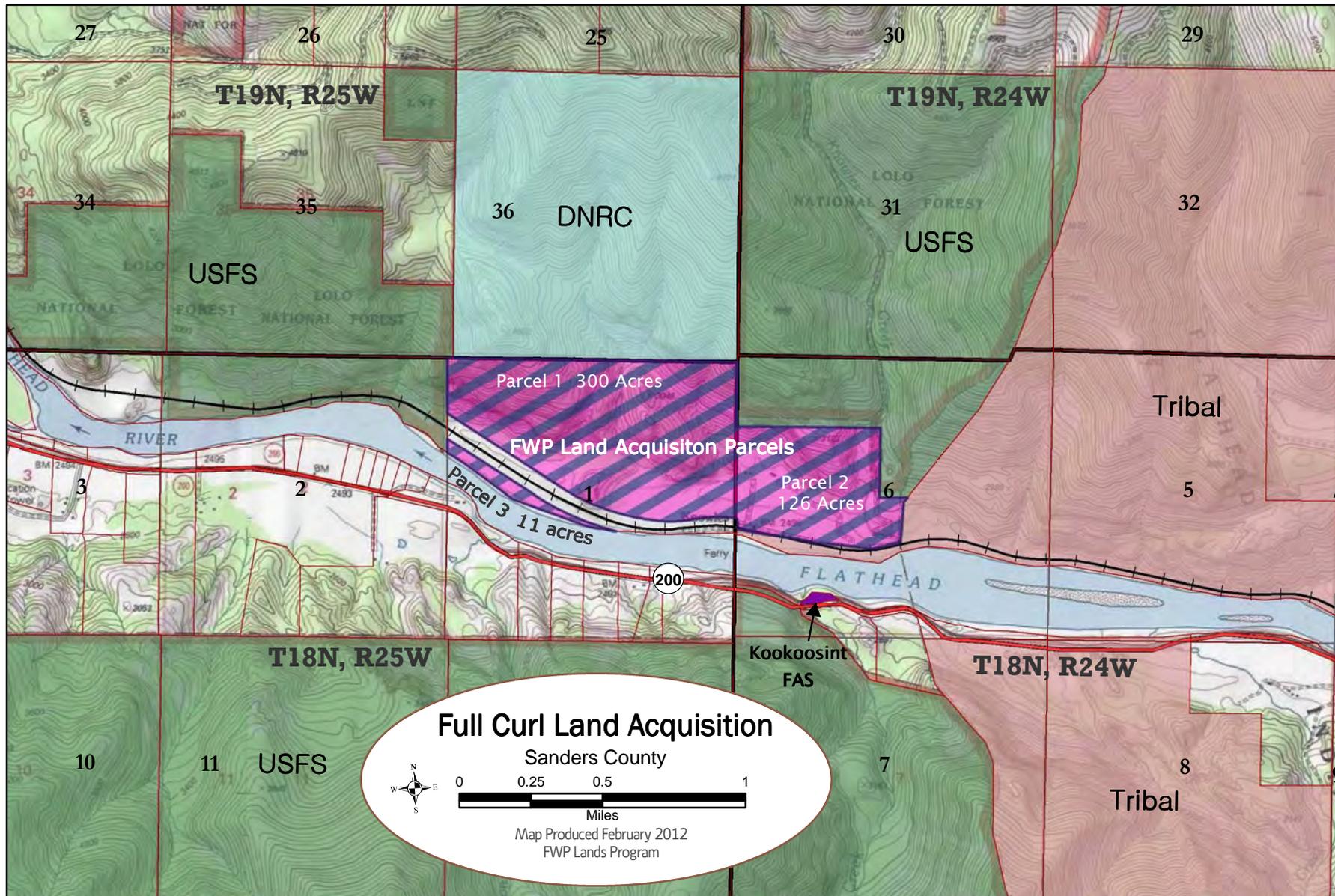
The final environmental assessment may be viewed at or obtained from Montana Fish, Wildlife & Parks, Region One, 490 N. Meridian Road, Kalispell, MT 59901. Please direct comments/questions to Bruce Sterling, FWP Area Biologist, (406) 827-4389 or e-mail to bsterling@mt.gov, or Jim Williams, FWP Wildlife Program Manager, (406) 752-5501 or e-mail to jiwilliams@mt.gov.

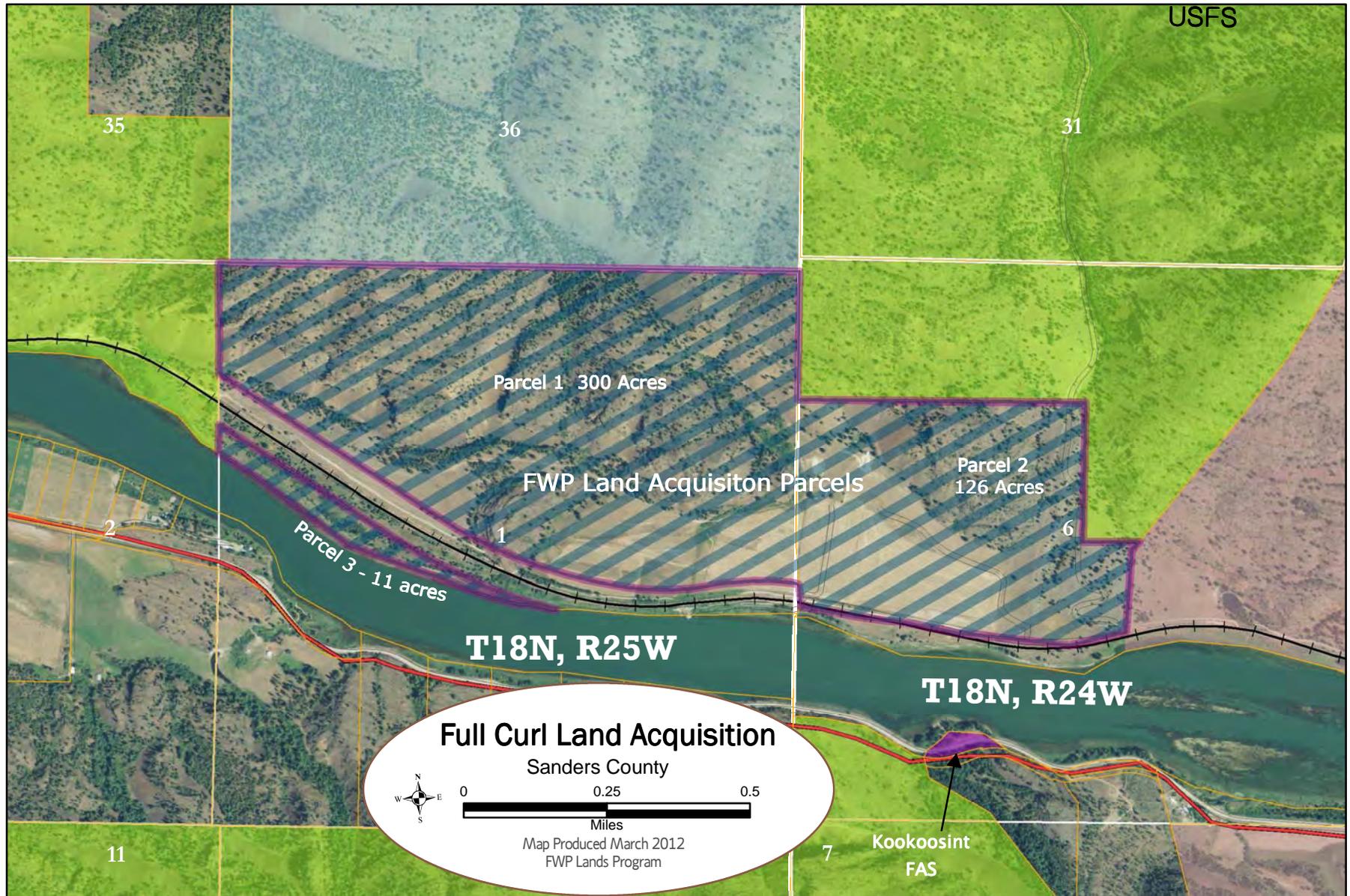


James R. Satterfield Jr., Ph.D.
Regional Supervisor

March 14, 2012

Date





412-2

TIMBER SALES:

- A. ASHLEY LAKE
- B. LIVERSTONE
- C. MCNAMARA LANDING
- D. SCOUT LAKE #1
- E. SCOUT LAKE #2
- F. UPPER WHITEFISH

ASHLEY LAKE #2 TIMBER SALE

April 19, 2012 Land Board

Location of Sale:

- Kalispell Unit (NWLO) – Located approximately 13 air miles south of Kalispell, Montana
- Flathead County – Section 36, T29N-R24W
- 100% CS

Sale Volume & Estimated Value:

- The estimated volume is 7,034 tons (1,293 MBF) of sawlogs with a conversion factor of 5.44 tons/MBF.

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$12.51	\$4.62	\$17.13	7,034	\$120,492.42

Sale & Harvest Treatments:

- The sale would consist of two harvest units totaling 598 acres.
- A seed tree removal prescription would remove the overstory and the area will be replanted with western larch seedlings.
- No old growth would be harvested or is present in the project area.

Harvest Systems:

- 100% tractor

Roads:

- Approximately 8 miles of existing road will be used.

Public Involvement:

- In October 2011, DNRC solicited public participation and comment by placing notices in the Kalispell's Daily Interlake. Notices were also sent out to adjacent landowners and interested parties.

Issues and Mitigations:

- Air Quality – Dust abatement will be required on County Roads when loads are hauled during dry and dusty periods.

The Director recommends the Land Board direct the Department to sell the Ashley #2 Timber Sale.

49°00'N

115°00'W

49°00'N

48°00'N

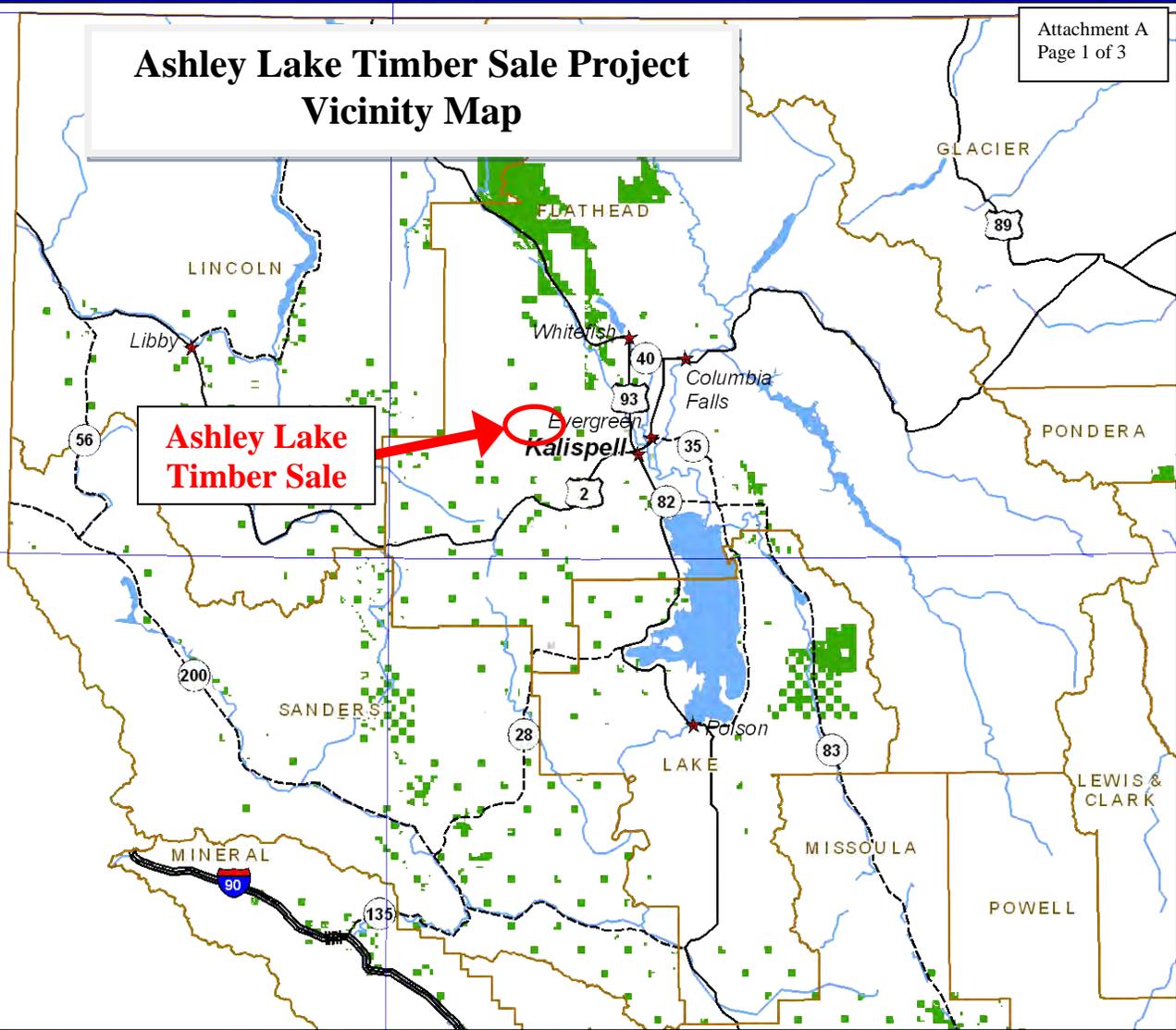
48°00'N

115°00'W

Ashley Lake Timber Sale Project Vicinity Map

Attachment A
Page 1 of 3

**Ashley Lake
Timber Sale**



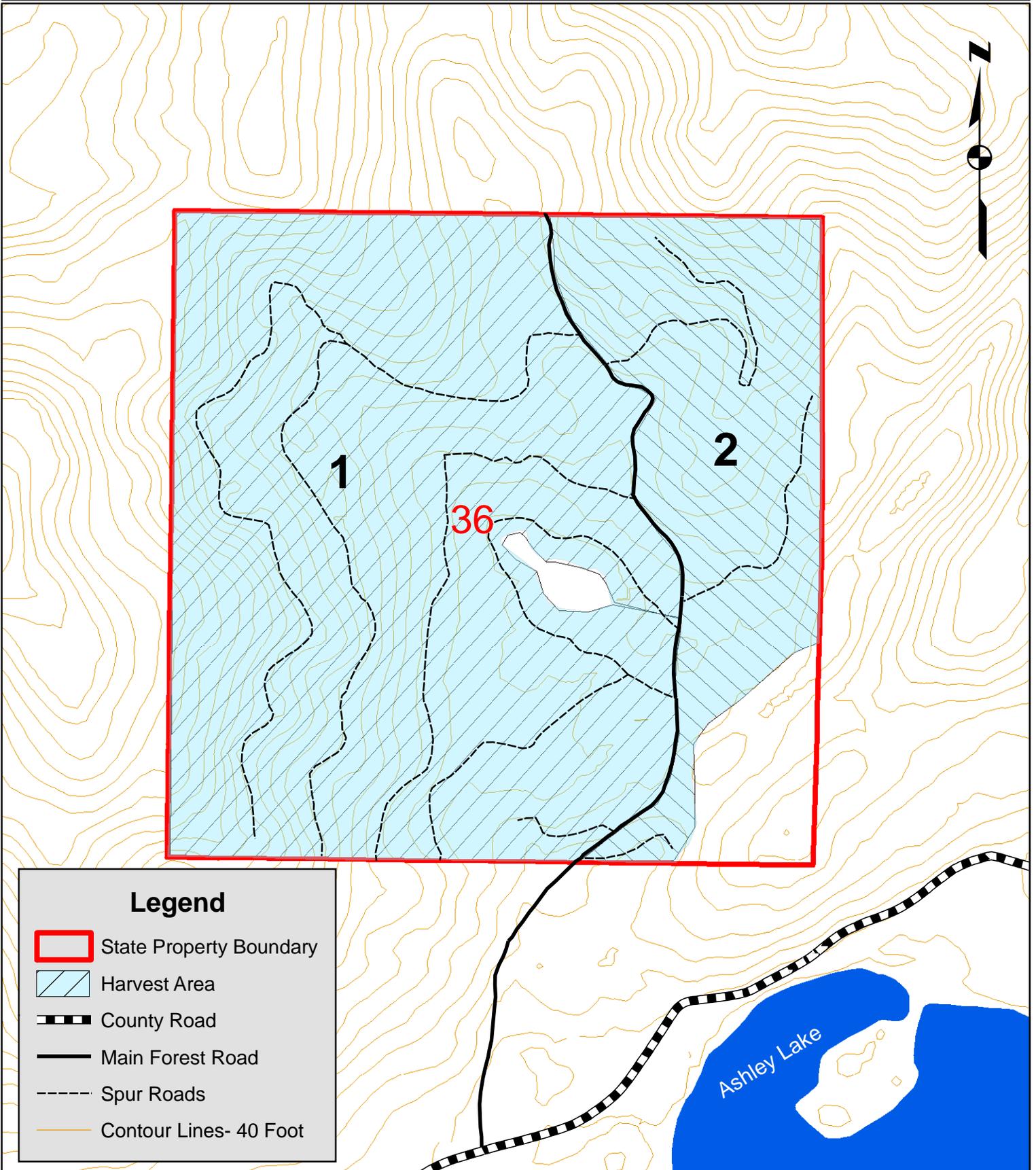
	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other

21 February 2007
Montana DNRC
Technical Services Section/dr





Ashley Lake Timber Sale Harvest Area Map Section 36, T29N, R24W



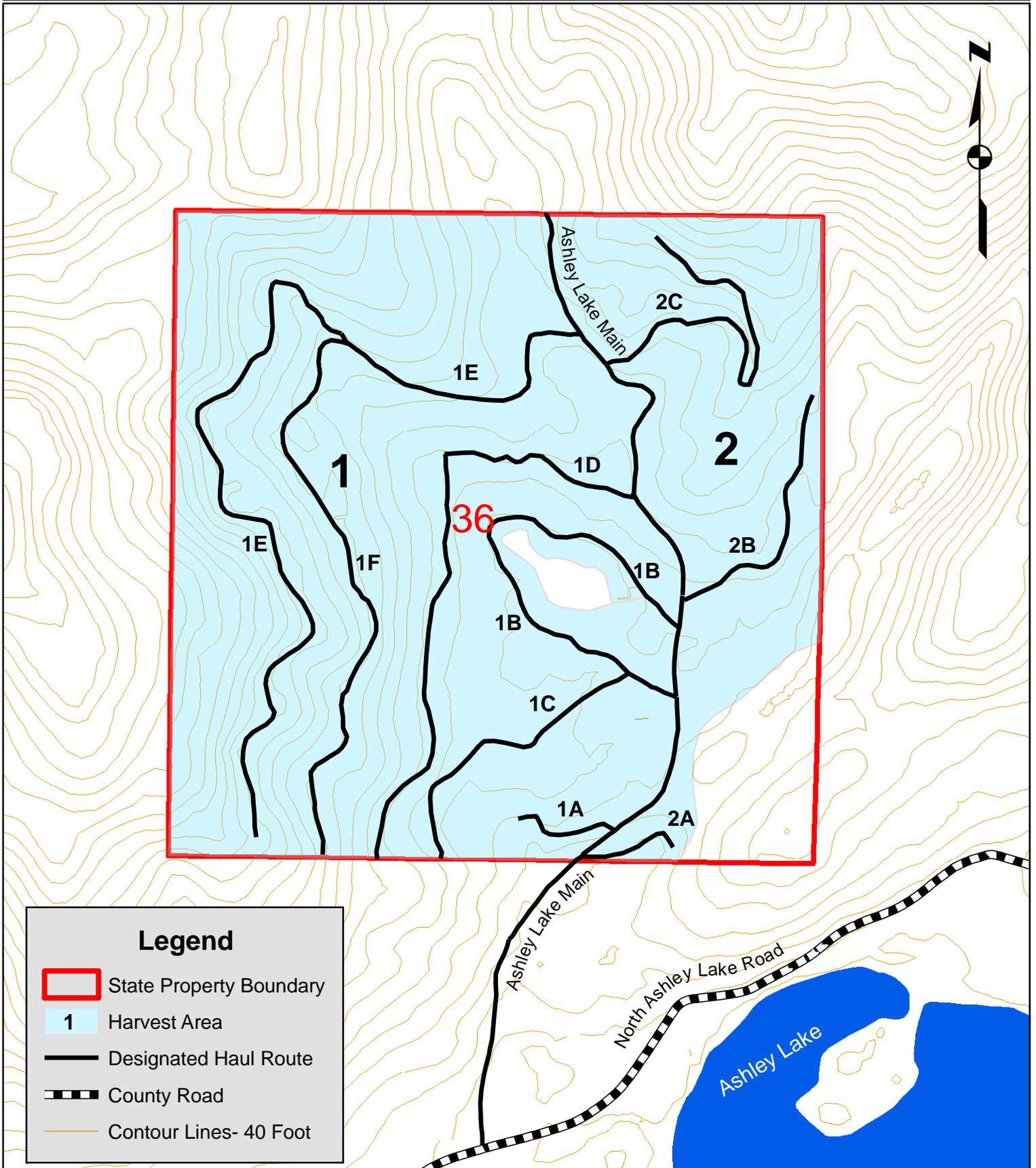
Legend

- State Property Boundary
- Harvest Area
- County Road
- Main Forest Road
- Spur Roads
- Contour Lines- 40 Foot

0 0.125 0.25 0.5 Miles



Ashley Lake Timber Sale Designated Haul Route Map Section 36, T29N, R24W



Legend

- State Property Boundary
- 1 Harvest Area
- Designated Haul Route
- County Road
- Contour Lines- 40 Foot

0 0.125 0.25 0.5 Miles

LIVERSTONE PARK TIMBER SALE

April 19, 2012 Land Board

Location of Sale:

- Clearwater Unit (SWLO) – Approximately 3 air miles north of Lincoln, Montana.
- Lewis and Clark County - Section 2, 4, 9, 10, 12, T14N-R9W.
- 41% ACB and 59% PB

Sale Volume & Estimated Value:

- The estimated volume is 7,994 tons (1,544 MBF) with a conversion factor of 5.18 tons/MBF.

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$16.07	\$4.39	\$20.46	7,994	\$163,557.24

Sale & Harvest Treatments:

- The sale includes 9 harvest units totaling 172 acres.
- This sale would harvest ponderosa pine and lodgepole pine that has been or is likely to be killed by the mountain pine beetle. The sale would also harvest Douglas-fir to promote desired future conditions.
- There is no old growth within the project area.

Harvest Systems:

- 100% Tractor

Road Construction:

- In conjunction with the timber sale, DNRC would maintain 3.4 miles of existing road. Approximately 0.8 miles of new temporary road would be built. All new roads would be closed upon completion of harvest activities.

Public Involvement:

- Scoping letters were mailed to adjacent landowners and other interested parties in March 2007 as part of the Beaver-Liver Timber Management Project. A public notice was published in the *Blackfoot Valley Dispatch* newspaper. Notices were also posted at the Lincoln Post Office. Written, e-mail, and verbal comments were received from both internal and externally. Potential issues were developed from the comments and mitigations measures were incorporated in the sale.

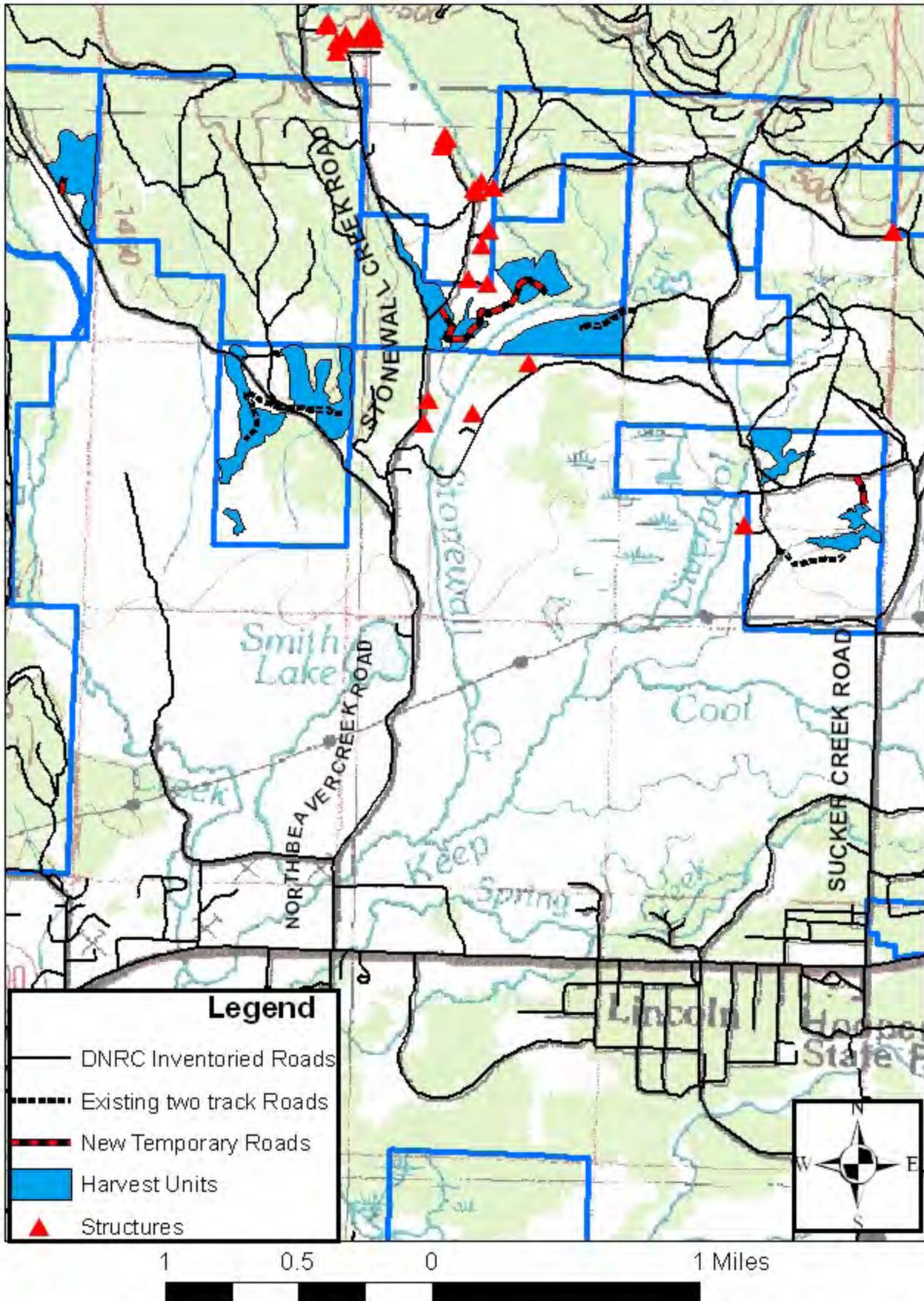
Issues and Mitigations:

- **Grizzly Bears:** Several mitigation measures have been implemented resulting in a low risk of timber harvest increasing the direct, indirect, and cumulative effects above baseline conditions.
- **Bald Eagle:** Portions of all project areas occur within 2 miles of the Lincoln bald eagle nest. Harvest has been deferred within 0.25 mile of the nest site and silviculture prescriptions changed to maintain approximately 40-60% of basal area within harvest occurring between 0.25 and 0.5 miles of the nest. As such, there would likely be low likelihood of direct, indirect or increased cumulative effects as a result of the timber harvest.

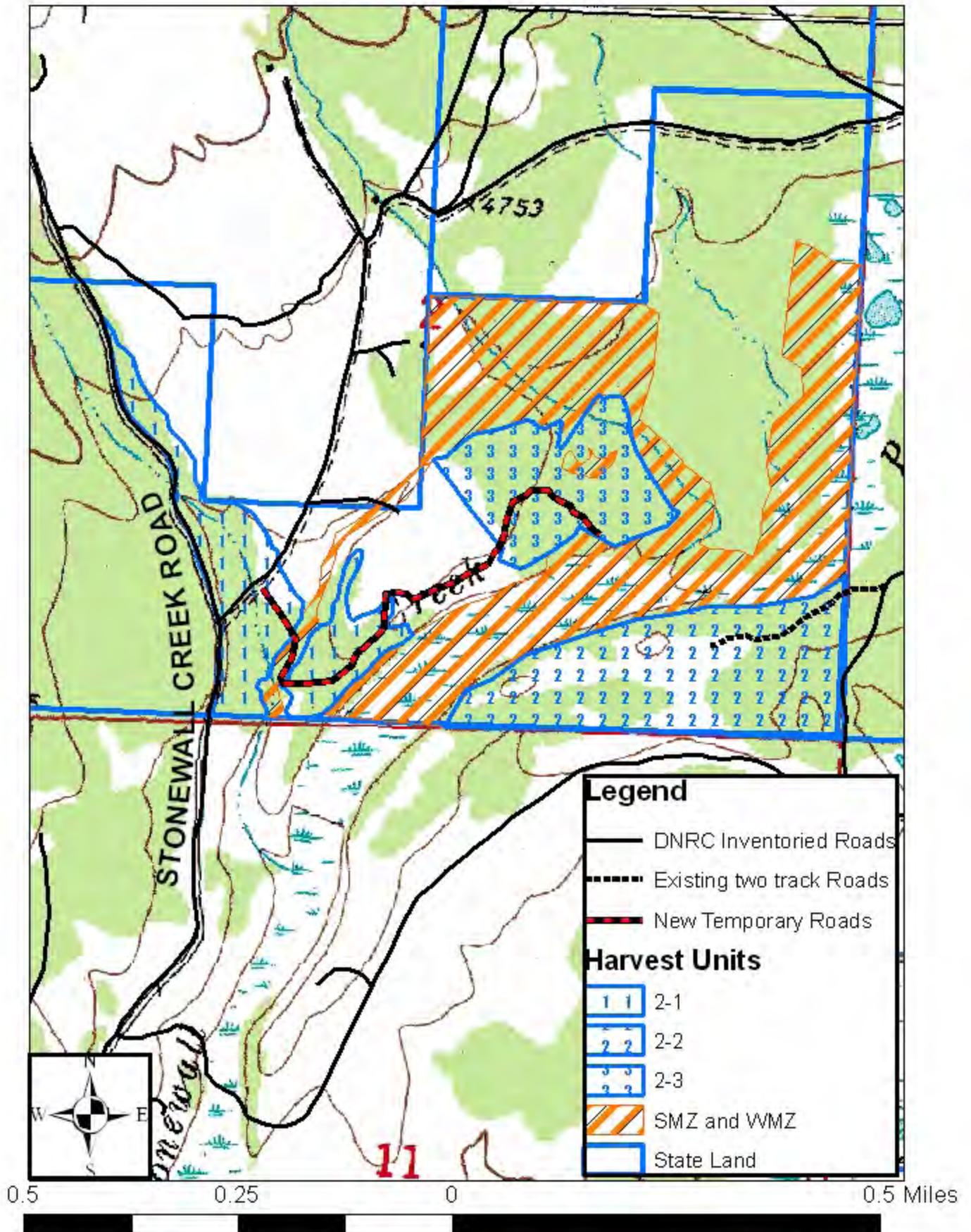
- **Hydrology:** The proposed timber harvest and road construction was designed consistent with State Forest Land Management Rules, Montana BMP's and the SMZ law. A stream crossing that currently does not meet BMP's or allow fish passage will be upgraded to allow fish passage and meet forestry BMP's.

The Director recommends the Land Board direct the Department to sell the Liverstone Park Timber Sale.

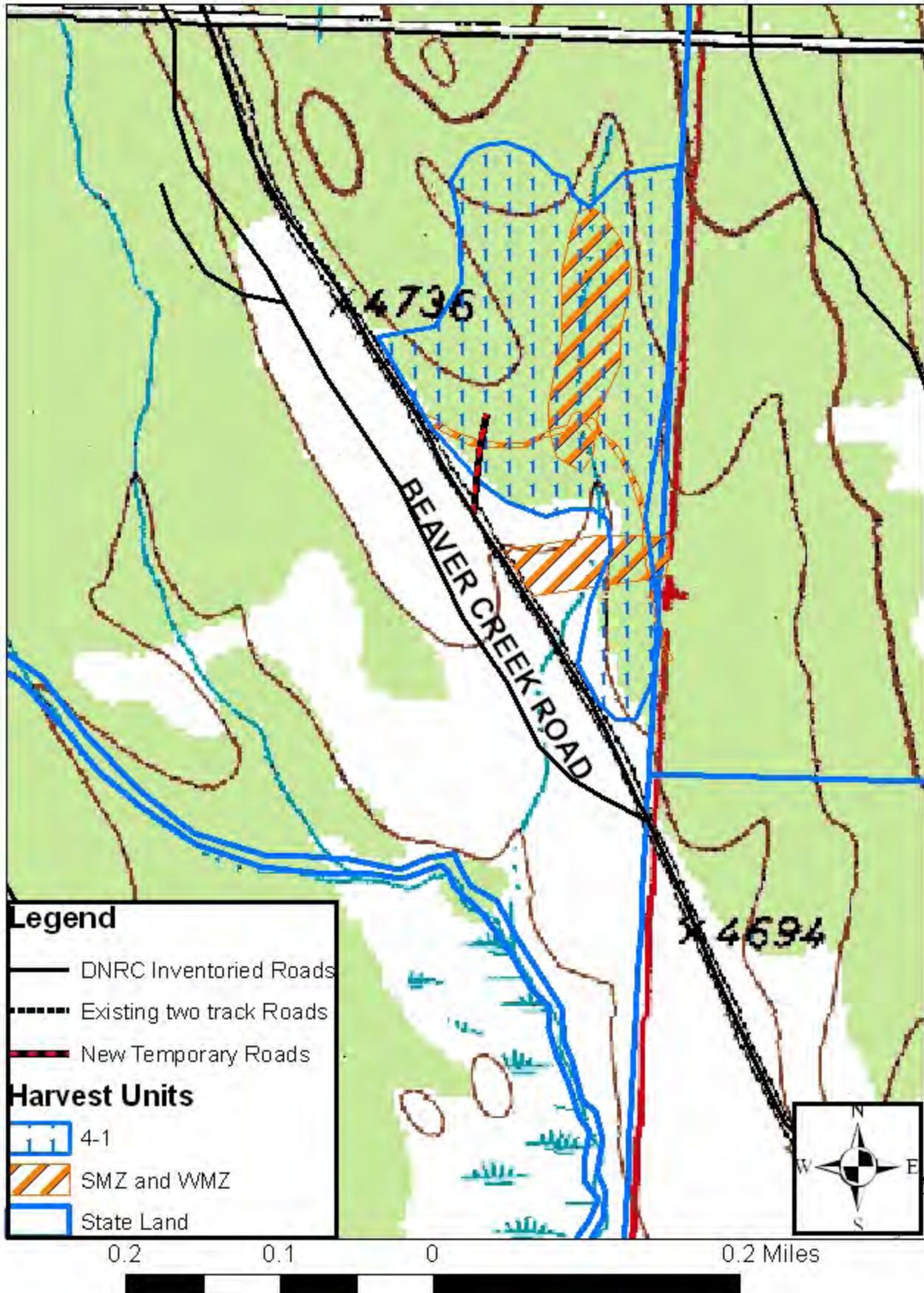
Liverstone Park Timber Sale Overview/Vicinity Map



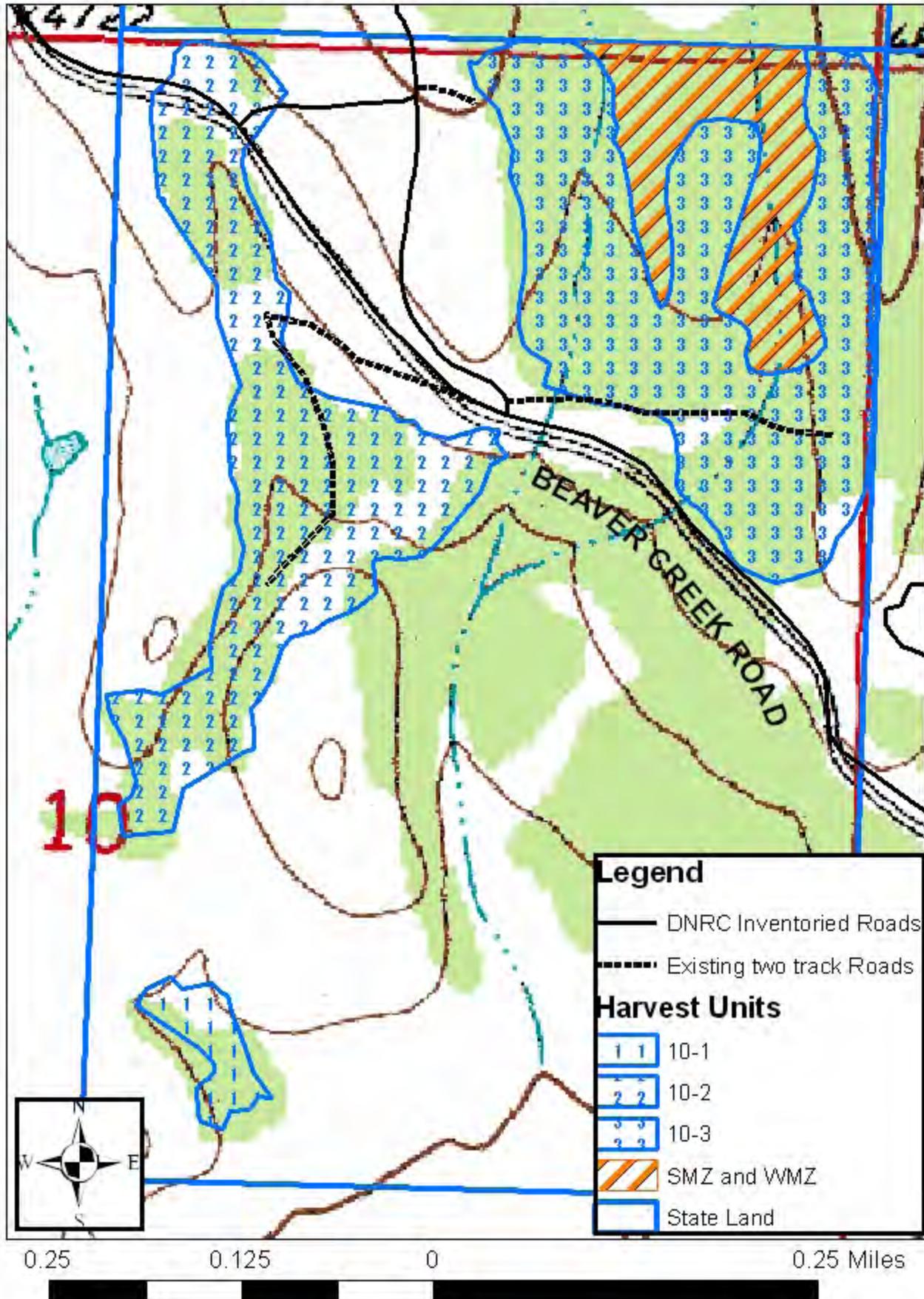
Liverstone Park Timber Sale Section 2 T14N R9W



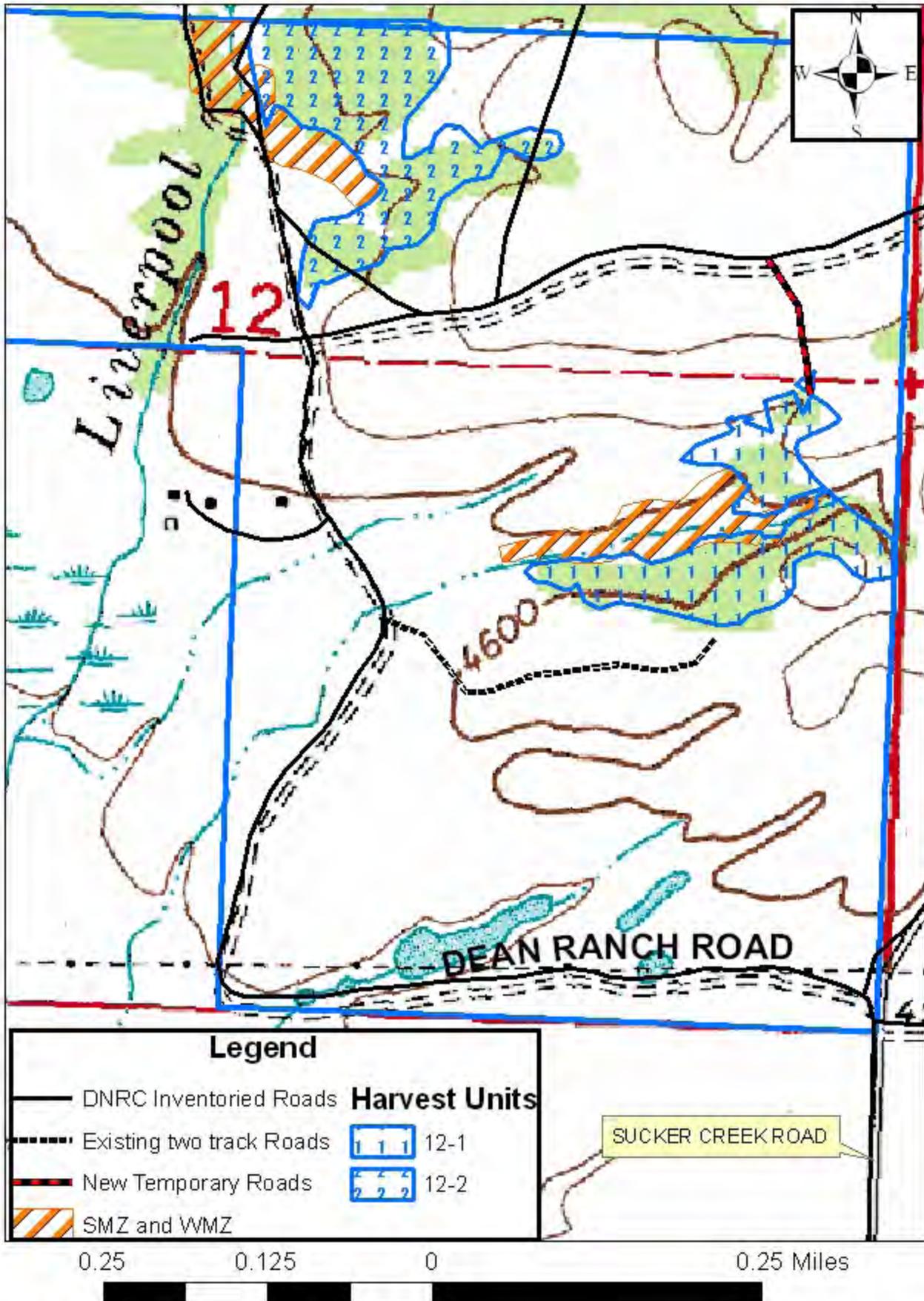
Liverstone Park Timber Sale Section 4 T14N R9W



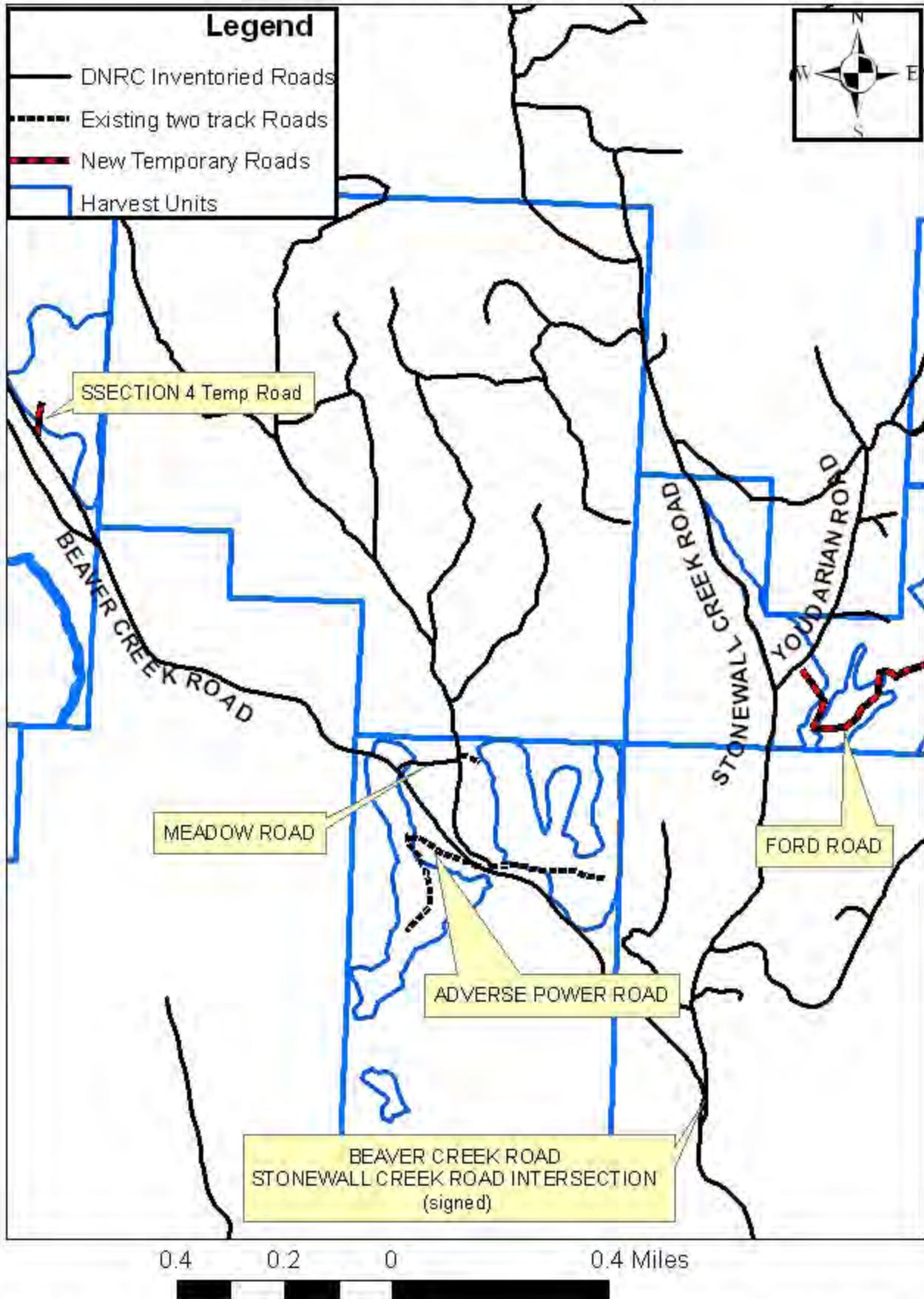
Liverstone Park Timber Sale Section 10 T14N R9W



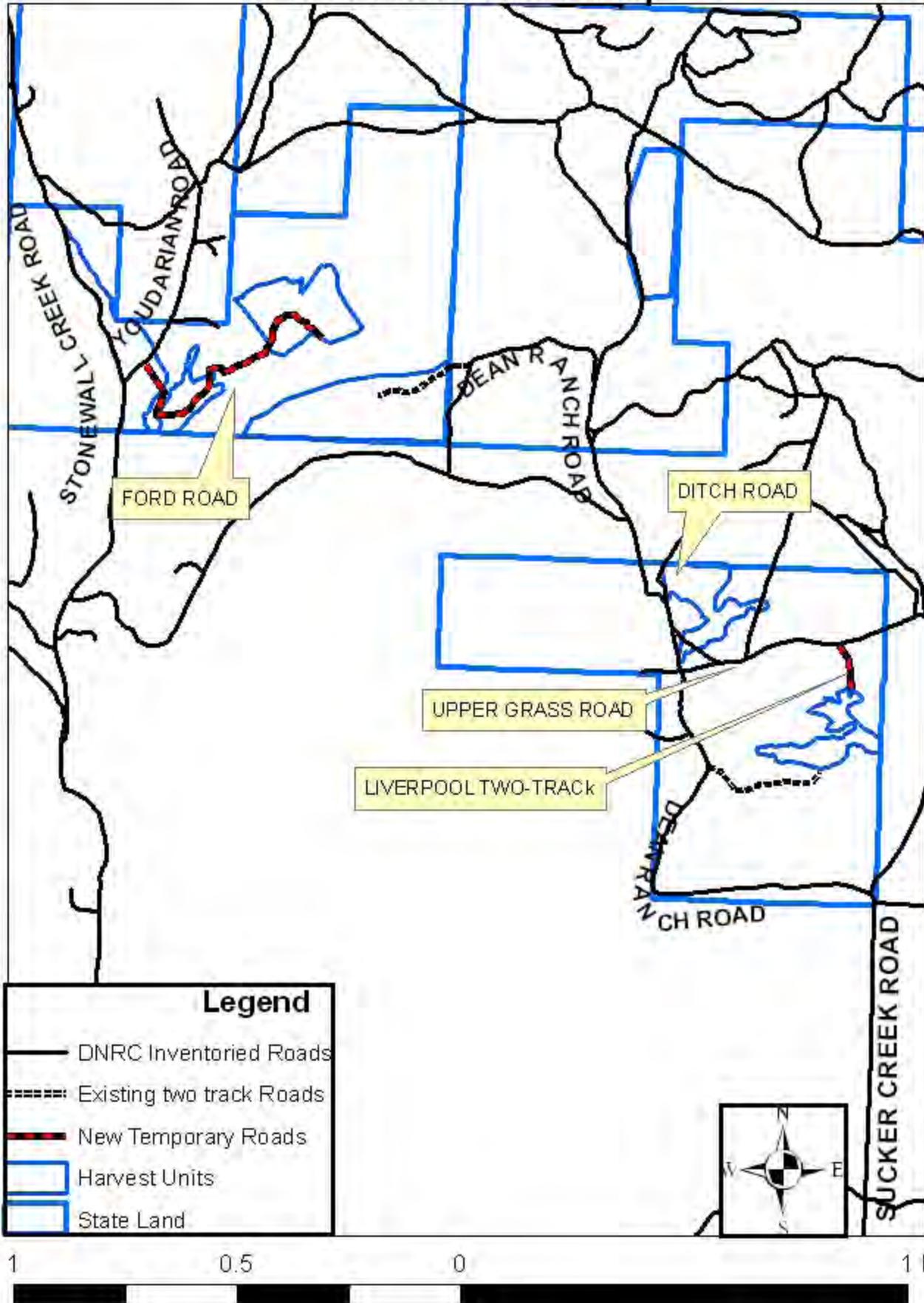
Liverstone Park Timber Sale Section 12 T14N R9W



Liverstone Park Timber Sale West Half Road Map



Liverstone Park Timber Sale East Half Road Map



MCNAMARA LANDING TIMBER SALE

April 19, 2012 Land Board

Location of Sale:

- Missoula Unit (SWLO) – Approximately 10 air miles northeast of Bonner, Montana
- Missoula County – Section 36, T14N–R17W
- 100% CS

Sale Volume & Estimated Value:

- The estimated volume is 11,752 tons (1,817 MBF) with a conversion factor of 6.47 tons/MBF.

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$12.15	\$3.51	\$15.66	11,752	\$184,036.32

Sale & Harvest Treatments:

- This sale consists of 3 harvest units totaling 330 acres.
- Silvicultural prescriptions are uniform throughout the sale area. The prescription is for the commercial thinning of overstocked trees, some of which are infected with insects and diseases throughout the section. Trees left after harvest will be composed of healthy ponderosa pine, western larch and Douglas-fir.
- The largest trees, both green and dead, will be retained for wildlife and seed source values.
- No old growth would be harvested or is present in the project area

Harvest System:

- 100% Tractor

Road Construction:

- Approximately 0.5 mile of new road will be constructed. Approximately 5 miles of existing road will be maintained and upgraded to comply with Best Management Practices. All roads except the main Gold Creek Road are behind gates. Newly constructed roads will be blocked by a ditch and a berm to restrict vehicle use at the end of timber harvest operations.

Public Involvement and Issues:

- Public scoping for the McNamara Landing Timber Sale was initiated in June of 2006. Scoping notices were sent to 24 various entities including the Confederated Salish & Kootenai Tribes F.H. Stoltze Land and Lumber, Plum Creek Timber Company, Montana Fish Wildlife and Parks, Alliance for the Wild Rockies, Friends of the Wild Swan, Wild West Institute and the Montana Wood Products Association. Private individuals who had commented on the previous proposed project for this section were also scoped. Written and/or verbal comments were received in the form of letters, emails and personal communication. Comments from DNRC resource and technical specialists along with onsite visits with Fish, Wildlife and Parks specialists and interested private individuals were incorporated into the project planning process.

Issues and Mitigations:

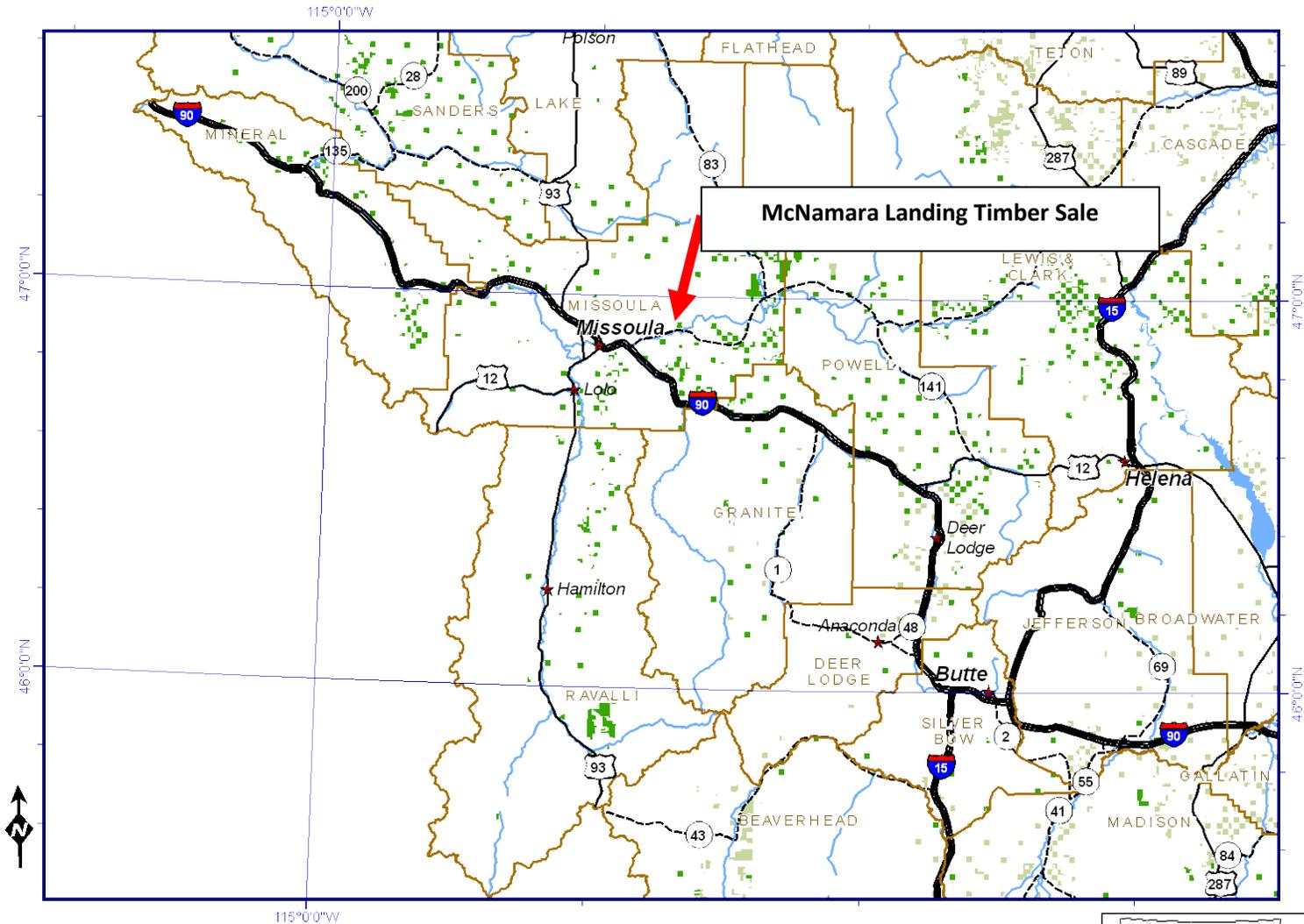
- The proposed sale prescriptions and unit layout are designed to limit impacts to wildlife. All access roads to sale units are behind gates providing more wildlife security. The harvest systems employed will enhance fuels reduction efforts, an important concern for neighbors.

Streams:

- Existing roads associated with the timber sale would be upgraded to meet Best Management Practices. Harvest activities would comply with the Streamside Management Zone law. This would reduce sediment into streams over the long run. There is one stream crossing involving replacement of a long and undersized culvert with a larger culvert to improve fish passage.

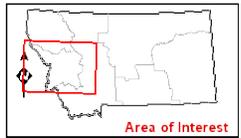
The Director recommends the Land Board direct the Department to sell the McNamara Landing Timber Sale.

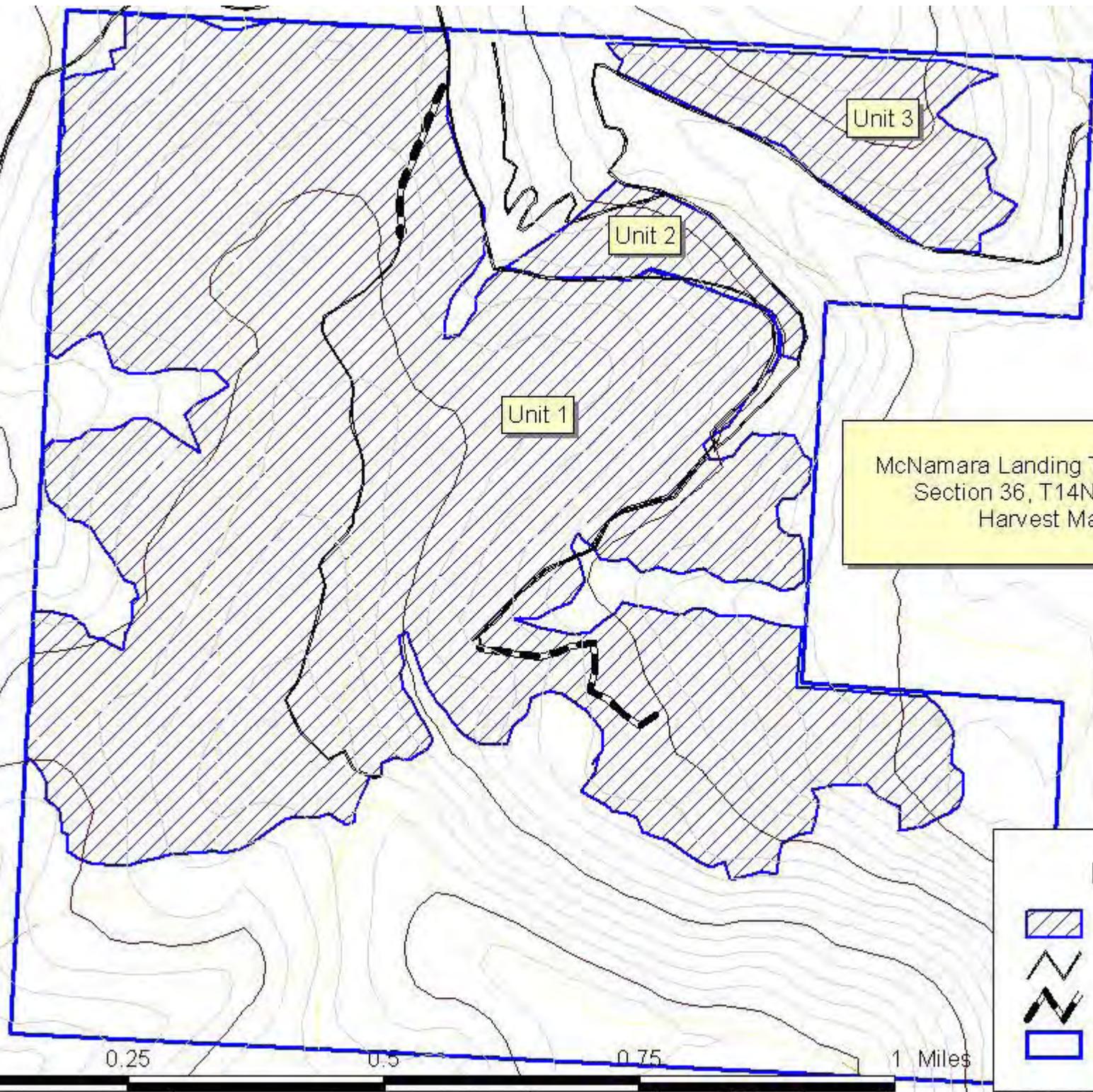
Timber Sale Vicinity Map



	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other

21 February 2007
 Montana DNRC
 Technical Services Section/dr





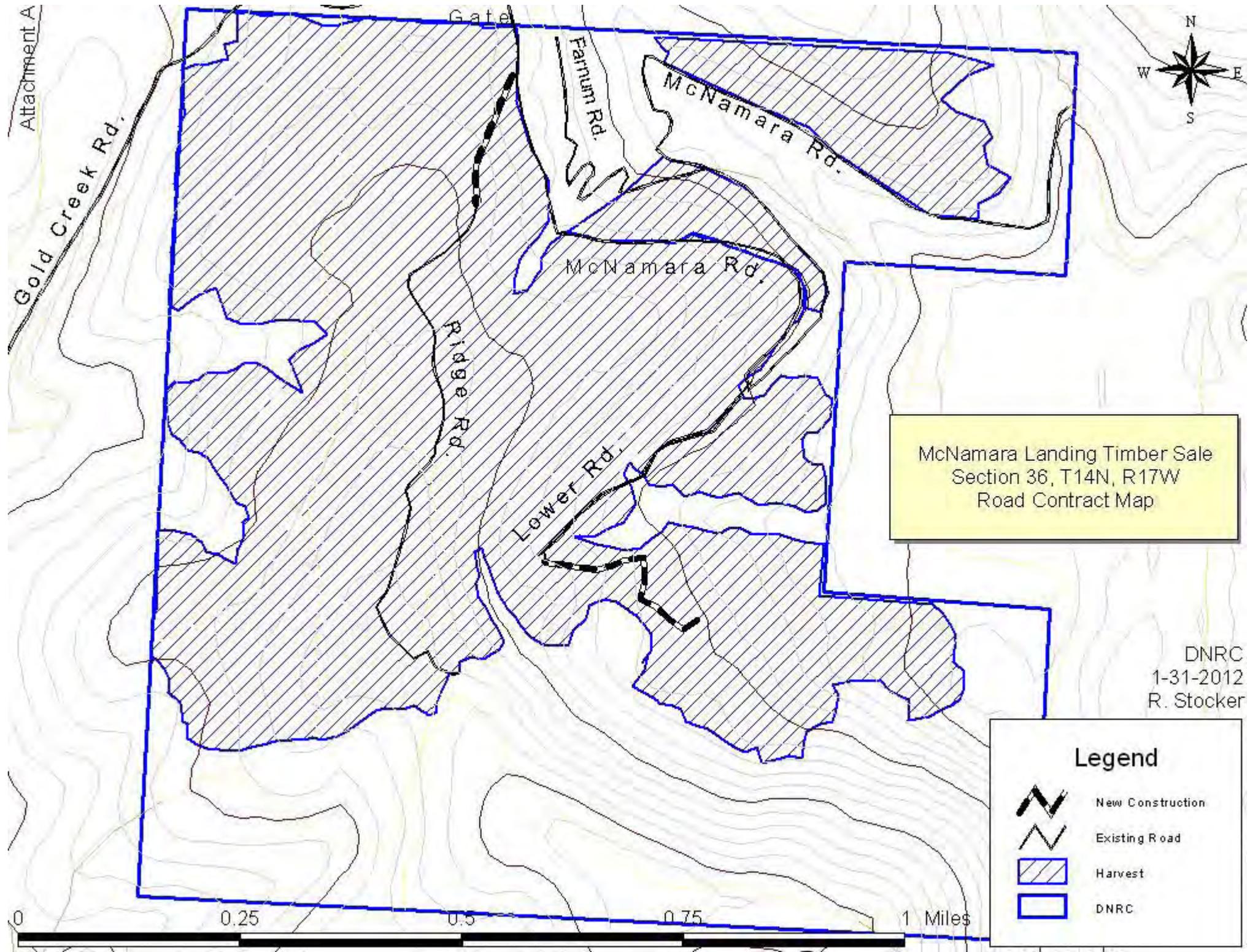
McNamara Landing Timber Sale
Section 36, T14N, R17W
Harvest Map

DNRC
1-31-2012
R. Stocker

Legend

-  Harvest
-  Existing Road
-  New Construction
-  DNRC





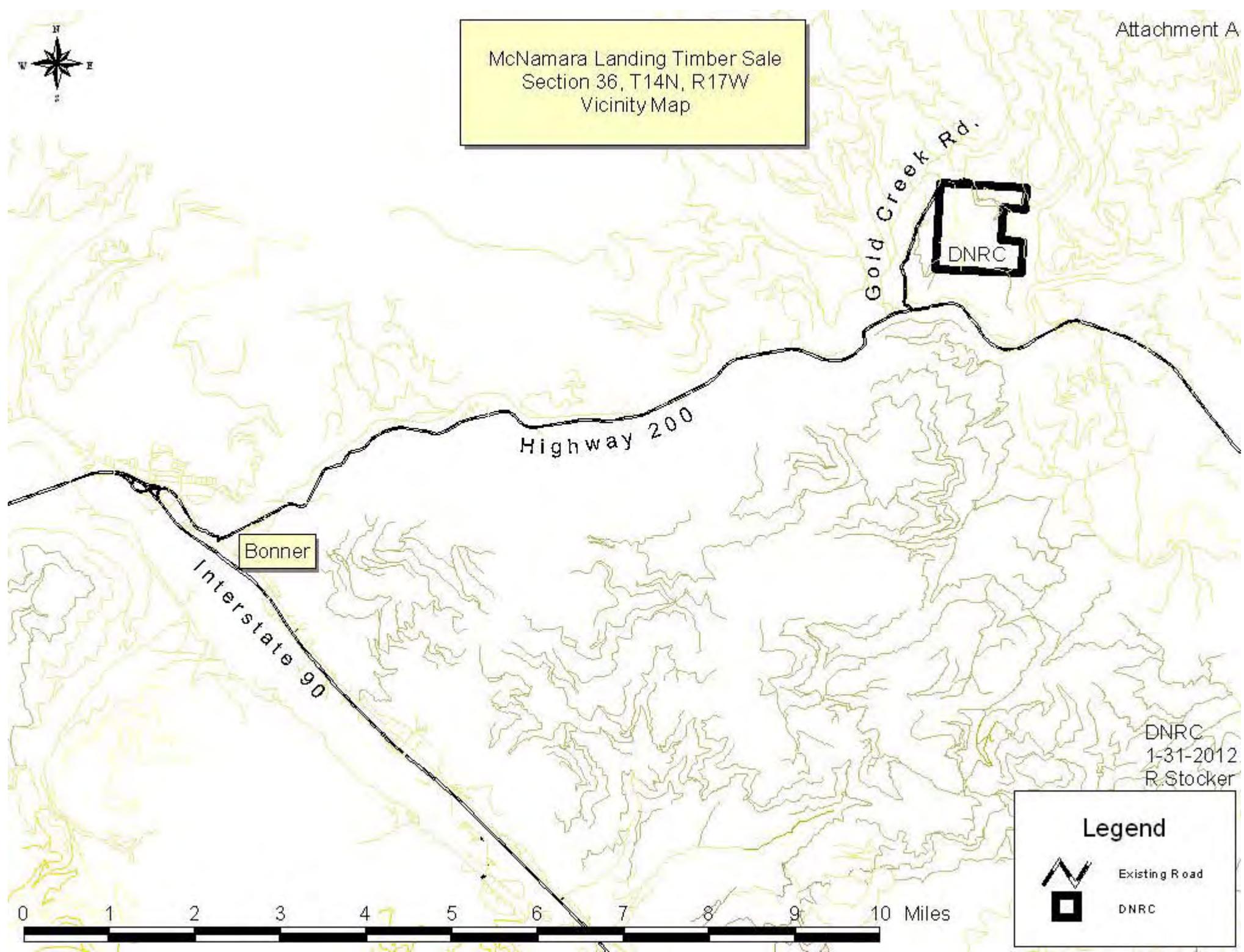
McNamara Landing Timber Sale
Section 36, T14N, R17W
Road Contract Map

DNRC
1-31-2012
R. Stocker

Legend

-  New Construction
-  Existing Road
-  Harvest
-  DNRC

McNamara Landing Timber Sale
Section 36, T14N, R17W
Vicinity Map



Bonner

DNRC

DNRC
1-31-2012
R. Stocker

Legend

-  Existing Road
-  DNRC

0 1 2 3 4 5 6 7 8 9 10 Miles

SCOUT LAKE SALE 1 (SHAY/RETREAT)

April 19, 2012 Land Board

This project is the first timber sale proposed under the Scout Lake Multiple Timber Sale Project EIS.

Location of Sale:

- Swan Unit (NWLO) – Approximately 12 air miles south of Swan Lake, Montana
- Lake County – Sections 18 and 30, T23N-R17W and Section 36, T23N-R18W.
- 100% CS

Sale Volume & Estimated Value:

- The estimated volume is 8,664 tons (1,194 MBF) with a conversion factor of 7.26 tons/MBF.

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$6.35	\$3.46	\$9.81	8,664	\$84,993.84

Sale & Harvest Treatments:

- The sale consists of 8 harvest units totaling 323 acres.
- Silvicultural prescriptions include:
 - 323 acres of variable thin and one acre of right-of-way. The variable thin treatment would leave approximately 35 to 40 percent of the stand. The right-of-way is for road construction and would contain no trees upon completion.
 - A minimum of 2 large snags per acre would also be retained in each harvest unit where snags are available.
- Western larch, Douglas-fir, ponderosa pine, lodgepole pine, and other species where present, would also be retained throughout the sale.
- This sale does not treat old growth.
- All harvest treatments are meant to: address insect and disease issues; promote appropriate species composition and desired future conditions; reduce fuel loads and potential fire hazards adjacent to private land; and balance revenue recovery with environmental considerations such as wildlife habitat, watershed health, and soil stability.

Harvest Systems:

- 100% tractor

Road Construction:

- Approximately 0.9 miles of new roads would be constructed. An additional 1.6 miles of existing road would be renovated and 7.9 miles would receive maintenance or spot improvements. After the sale, all forest roads used for this sale would meet current BMPs. Current open/closed road status would not change and all new roads would be closed to non-administrative motorized use once the sale is completed. Traffic flow and road use were designed to meet the requirements of the SVGBCA.

Public Involvement & Issues:

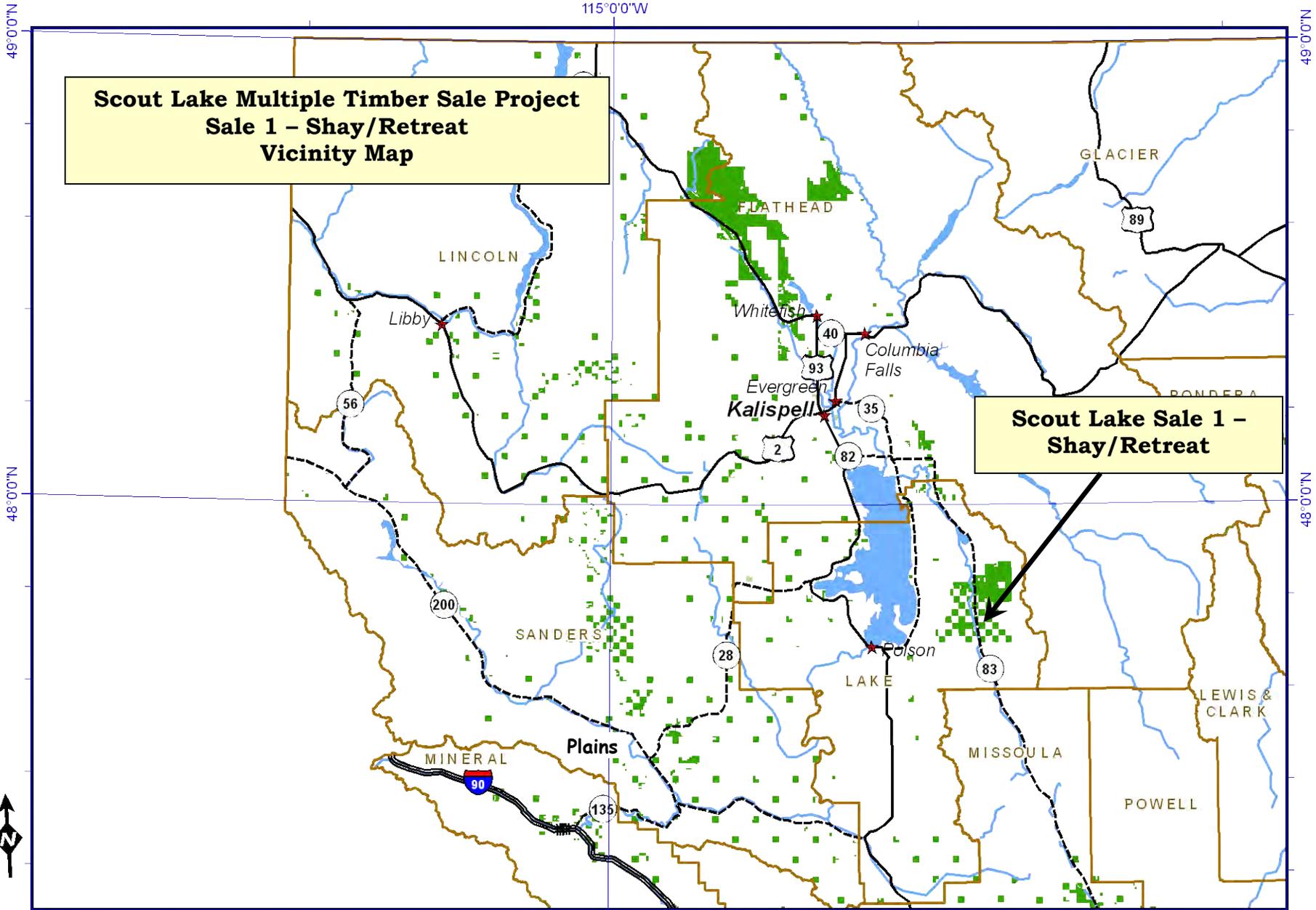
- Public scoping for the Scout Lake Multiple Timber Sale Environmental Impact Statement (EIS) began on April 16, 2010 with a 30-day public comment period. The project proposal was mailed to interested individuals, owners of adjacent land, State Land Board staff, special interest groups, private industry, State representatives, local newspapers, and federal and state agencies. Public notices were also published in the *Bigfork Eagle*, the *Kalispell Daily Interlake*, and the *Swan Valley Pathfinder*. As a result of these initial scoping efforts, a total of 8 letters/emails, 4 phone calls, and 13 requests to remain informed were received from a wide range of interested parties.
- In November 2010 and July 2011, DNRC sent out newsletters to update interested parties about the project. No responses were received as a result of the newsletters.
- The ID Team conducted one public field tour of the project area on October 20, 2010. A second tour was offered in September 2011 but was canceled due to a lack of participation. One party requested and received maps of the project area and potential harvest units.
- The DEIS was prepared and mailed out for comments on December 16, 2011 with a 30-day comment period which closed on January 17, 2012. A total of three comments to the DEIS were received.
- Primary concerns by those who commented throughout the project development include: impacts of timber harvesting and road construction on old growth and wildlife habitat, protection of water quality and fisheries habitat, maintaining biodiversity, project economic viability, project cost analysis, aesthetics, and forest health and vigor. These resource concerns and others were addressed and incorporated into the project's design through the development of appropriate mitigation measures and contractual language
- Final EIS published and mailed out on March 3, 2012. Alternative B identified as proposed decision in FEIS with final decision made on March 25, 2012.

Issues and Mitigations:

- **Old Growth** – No designated stands would be harvested in this sale.
- **Wildlife** – Road closures would remain in place. Forest connectivity to allow animals to move between areas would be slightly reduced. At least 2 large snags per acre would be retained after harvest where available. Thermal cover for deer and elk would be slightly reduced.
- **Threatened and Endangered Species** –
 - **Grizzly Bear** – This sale conforms to the Swan Valley Grizzly Bear Conservation Agreement. Harvest activities are not permitted during the non-denning period within a closed subunit. Harvest activities would occur during the denning period of November 16 through March 31 within a closed subunit. Harvest activities could occur from June 16 through March 31 within an active subunit.

- **Bull Trout** – No timber harvest is planned within SMZs along streams with a bull trout population. Unit boundaries have been designed to limit potential impacts to streams and comply with all applicable Rules and Laws.
- **Water Quality/Streams** – There are no plans to harvest within SMZ or RMZ buffers. All road reconstruction would meet current BMPs for water quality. After completion of all timber sales and permits, overall sediment delivery would be reduced on Cedar Creek as a result of BMP improvements to existing road. A temporary bridge would be installed across a tributary to Cedar Creek and would be removed after the harvest is completed.
- **Biodiversity** – The harvest prescription would have a variety of size and age classes present after harvest. Seral stands would replace the non-typical climax stands identified for treatment. Harvest prescriptions along with post-harvest treatments of pile and scarification, pile burning and planting would contribute to creating a variety of stands that are more reflective of historic species composition on the landscape.
- **Economics** – The sale is expected to generate a minimum of \$55,000 for the Common School Trust. The sale would also spur the local economy through creating or sustaining as many as 11 higher paying timber industry related jobs.
- **Forest Health** – This sale is designed to address forest health issues by treating stands with significant insect and disease problems and hazardous fuels adjacent to private property. The stands selected for treatment have active insect and disease problems. The mountain pine beetle is also present and is expected to increase in numbers resulting in significant amounts of lodgepole pine mortality. This area has been affected by dwarf mistletoe, Pini rot, and Indian paint fungus resulting in moderate defect and mortality in species such as western larch and grand fir. Without treatment, these problems will likely worsen and spread as documented by regular aerial survey flights. Treatments would remove dead and dying or infected trees to capture the associated revenue and allow for healthy trees to take their place or to allow healthy residual trees to grow to full potential.

The Director recommends the Land Board direct the Department to sell the Scout Lake Sale #1 (Shay/Retreat) Timber Sale.



**Scout Lake Multiple Timber Sale Project
Sale 1 - Shay/Retreat
Vicinity Map**

**Scout Lake Sale 1 -
Shay/Retreat**

	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other



21 February 2007
Montana DNRC
Technical Services Section/dr

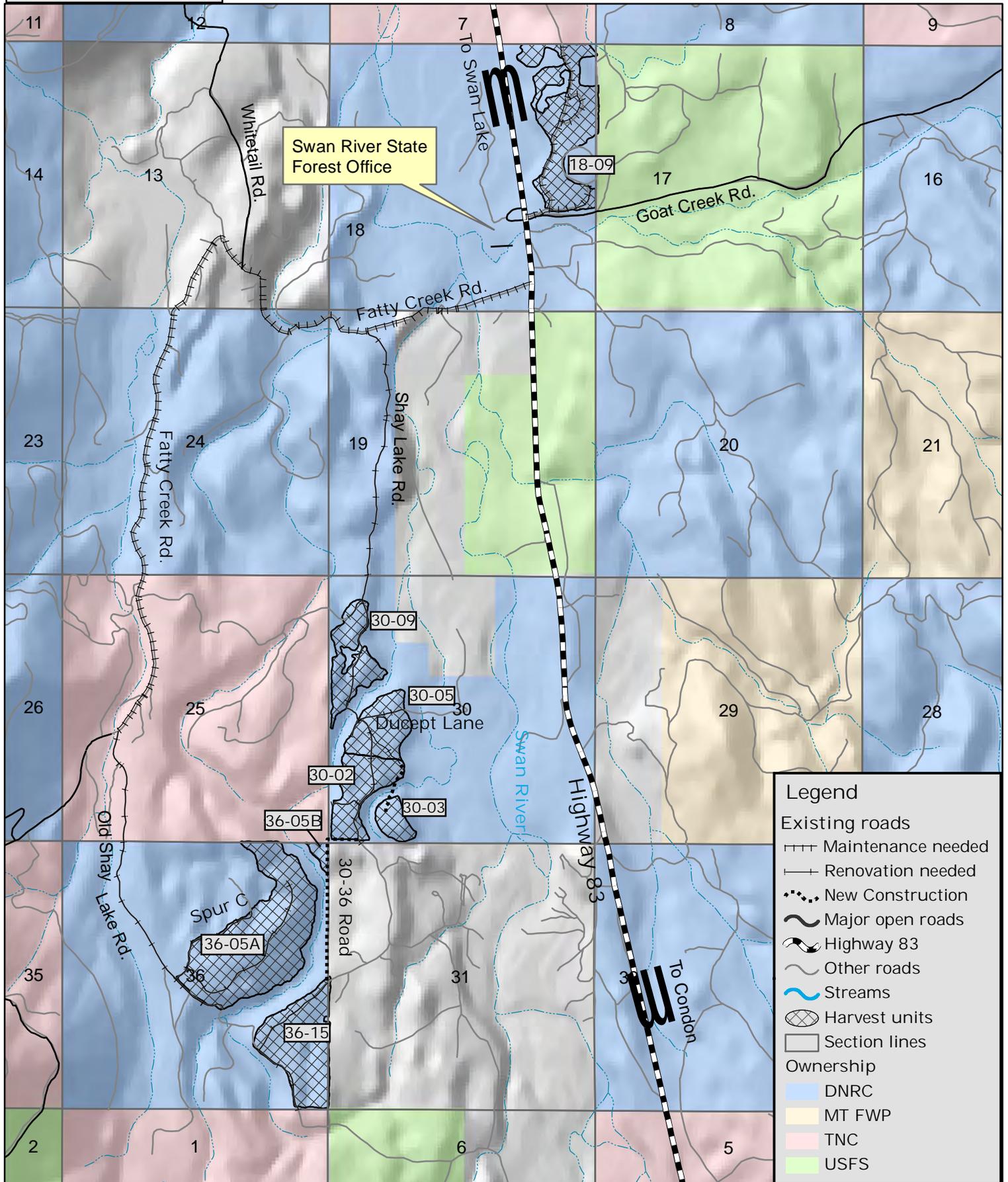


Scout Lake 1 (Shay/Retreat)

Vicinity Map

Attachment A2

Sections 18 and 30 T23N R17W; Section 36 T23N R18W

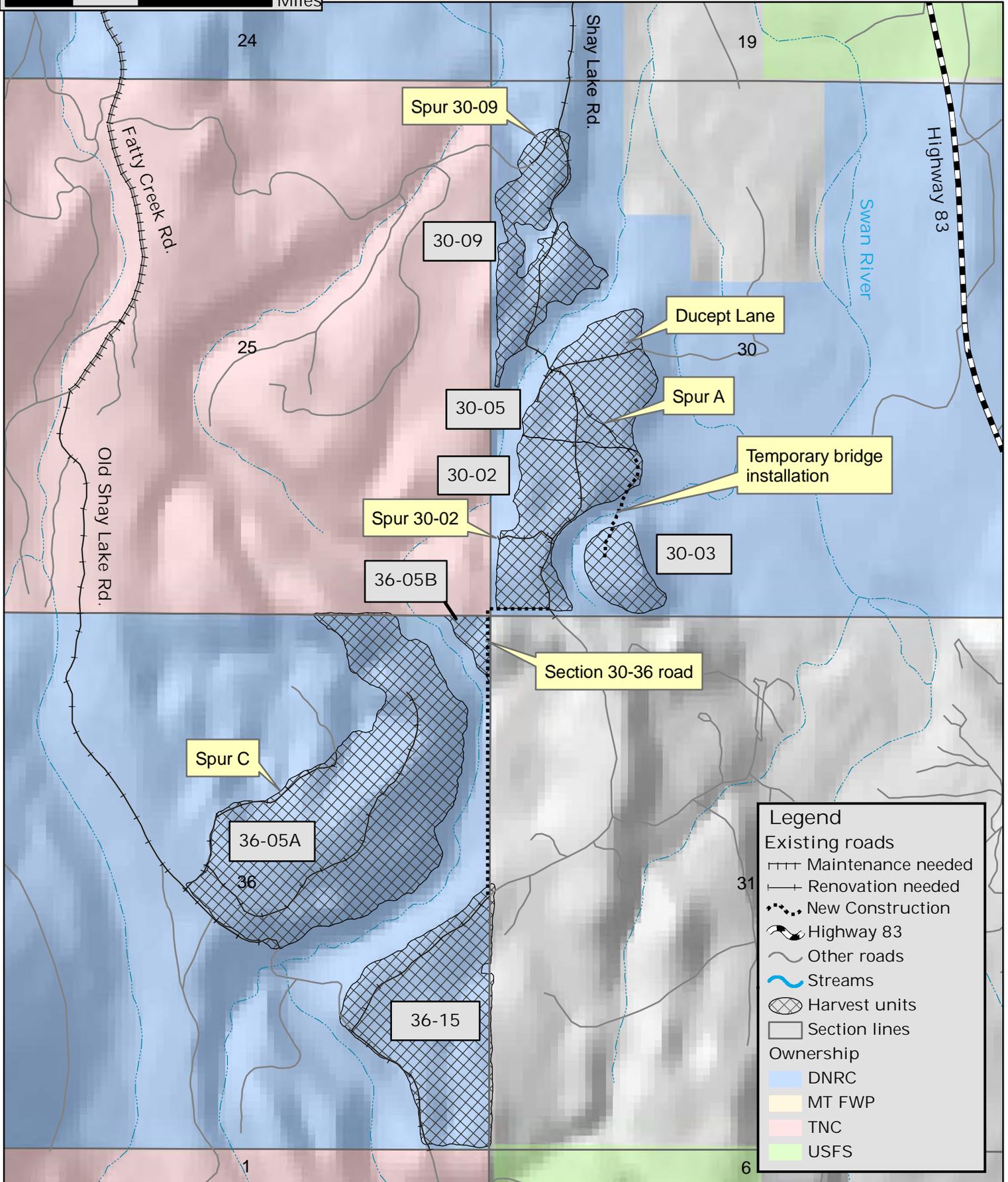


Scout Lake 1 (Shay/Retreat)

Vicinity Map

Attachment A3

Section 30 T23N R17W and Section 36 T23N R18W

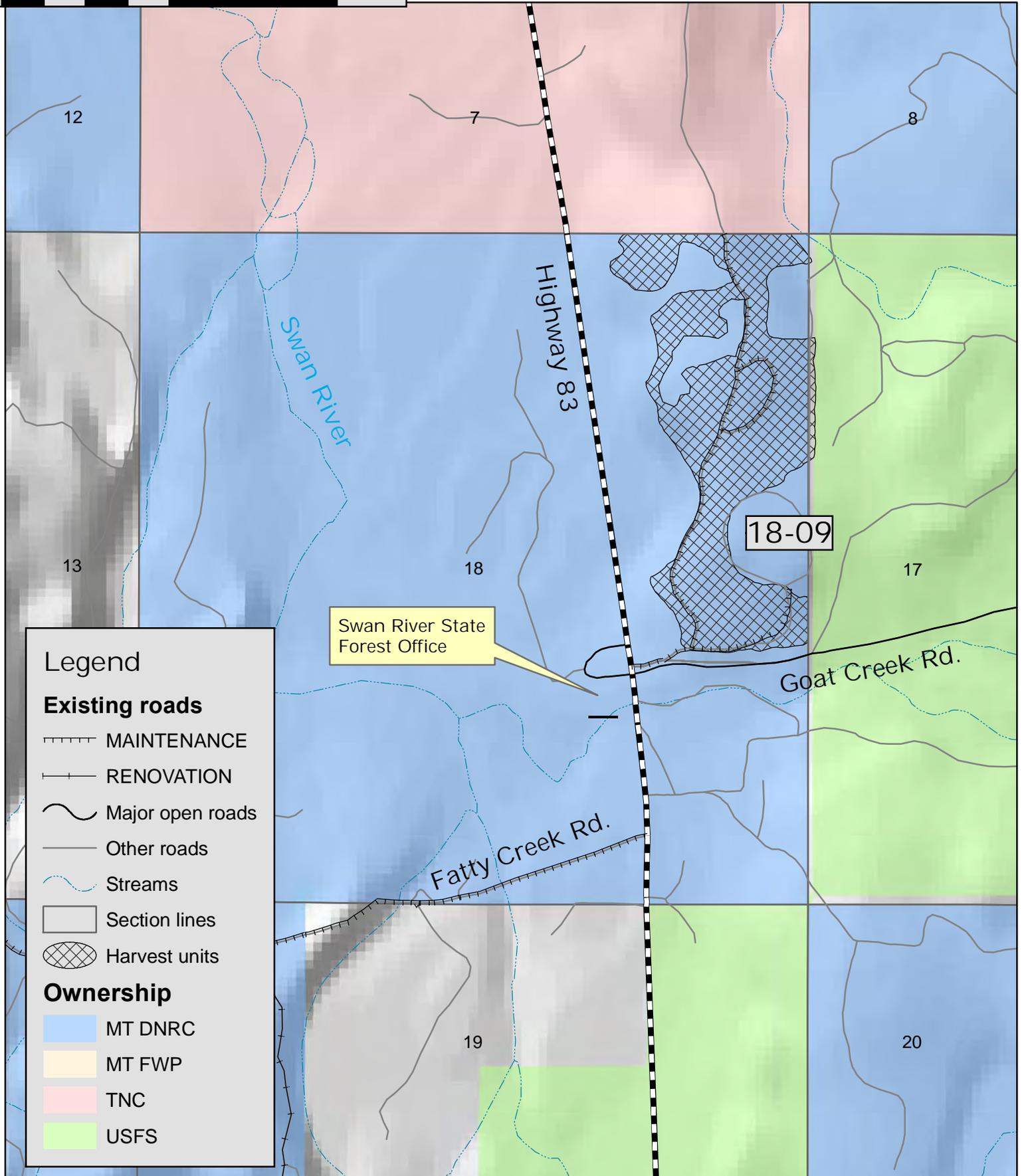


Scout Lake 1 (Shay/Retreat)

Vicinity Map

Attachment A4

Section 18 T23N R17W



Legend

Existing roads

- MAINTENANCE (dashed line)
- RENOVATION (line with cross-ticks)
- Major open roads (thick solid line)
- Other roads (thin solid line)
- Streams (blue dashed line)
- Section lines (thin black line)
- Harvest units (cross-hatch pattern)

Ownership

- MT DNRC (light blue)
- MT FWP (light yellow)
- TNC (light pink)
- USFS (light green)

SCOUT LAKE SALE #2 TIMBER SALE

April 19, 2012 Land Board

This project is the second timber sale proposed under the Scout Lake Multiple Timber Sale Project EIS.

Location of Sale:

- Swan Unit (NWLO) – Approximately 12 air miles southwest of Swan Lake, Montana
- Lake County – Sections 6 and 8, T23N-R17W.
- 100% CS

Sale Volume & Estimated Value:

- The estimated volume is 16,472 tons (2,660 MBF) of sawlogs with a conversion factor of 6.19 tons/MBF.

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$14.62	\$4.06	\$18.68	16,472	\$307,696.96

Sale & Harvest Treatments:

- The sale consists of 17 harvest units totaling 369 acres.
- Silvicultural prescriptions include:
 - 122 acres of shelterwood, 72 acres of variable thinning, and 175 acres of seedtree. The shelterwood would leave approximately 12 to 16 trees per acre. The variable thin treatment would leave approximately 35 to 40 percent of the stand. And the seedtree treatment would leave approximately 6 to 8 trees per acre.
- A minimum of 2 large snags per acre would also be retained in each harvest unit where available.
- Ponderosa pine, western white pine, western larch, and Douglas-fir would also be retained throughout the sale.
- This sale treats approximately 112 acres of old growth, 194 acres of 150+ year age class, 33 acres of 100-149 year age class, and 30 acres of 40-99 year age class. Post harvest, 37 acres is expected to remain old growth. Post harvest, 64 acres would potentially fall within the 150+ year age class; 268 acres would potentially fall within 0-39 age class.
- All harvest treatments are meant to address insect and disease issues; promote appropriate species composition and desired future conditions; and balance revenue recovery with environmental considerations such as wildlife habitat, watershed health, and soil stability.

Harvest Systems:

- 100% tractor

Road Construction:

- Approximately 0.38 and 0.19 miles of new roads and temporary spurs, respectively, would be constructed. An additional 6.22 miles would receive maintenance or spot improvements. After the sale, all forest roads used for this sale would meet current BMPs. Current open/closed road status would not change and all new roads would be closed to non-administrative motorized use once the sale is completed. Traffic flow and road use were designed to meet the requirements of the SVGBCA.

Public Involvement & Issues:

- Public scoping for the Scout Lake Multiple Timber Sale Environmental Impact Statement (EIS) began in April 2010 with a 30-day public comment period. The project proposal was mailed to interested individuals, owners of adjacent land, State Land Board staff, special interest groups, private industry, State representatives, local newspapers, and federal and state agencies. Public notices were also published in the *Missoulian*, the *Kalispell Daily Interlake*, and the *Swan Valley Pathfinder*. A news article also appeared in the *Bigfork Eagle*. As a result of these initial scoping efforts, a total of 8 letters/emails, 13 requests to remain informed, and 4 phone calls were received from a wide range of interested parties.
- On November 22, 2010 and July 15, 2011, DNRC sent out newsletters to update interested parties about the project. 3 requests to be kept informed were received as a result of the newsletters.
- The ID Team conducted a public field tour of the project area on October 20, 2010, 3 people attended. DNRC offered to host a second field tour in September 2011. Two parties considered it, but declined. One party requested and received maps of the project area and cutting units.
- The DEIS was prepared and mailed out for comments on December 16, 2011 with a 30-day comment period which closed on January 17, 2012. A total of 3 comments to the DEIS were received.
- Primary concerns by those who commented throughout the project development include: impacts of timber harvesting and road construction on old growth and wildlife habitat, protection of water quality and fisheries habitat, maintaining biodiversity, project economic viability, project cost analysis, aesthetics, and forest health and vigor. These resource concerns and others were addressed and incorporated into the project's design through the development of appropriate mitigation measures and contractual language
- Final EIS published and mailed out on March 3, 2012. Alternative B identified as proposed decision in FEIS with final decision made on March 25, 2012.

Issues and Mitigations:

Old Growth –Timber management of the old growth stands for this sale would concentrate on the removal of insect and disease problems. A total of 112 acres of old growth would be treated as a part of this sale and 37 acres are expected to meet the department's definition of old growth post-harvest. Subsequent timber sales planned under Alternative B from the Scout Lake Multiple Timber Sale Project would remove an additional 446 acres of old growth from the Swan River State Forest as described in the

EIS. The overall reduction in old growth under Alternative B would be 521 acres, with the percentage of old growth decreasing from 25.4 percent to 24.2 percent on the Swan River State Forest.

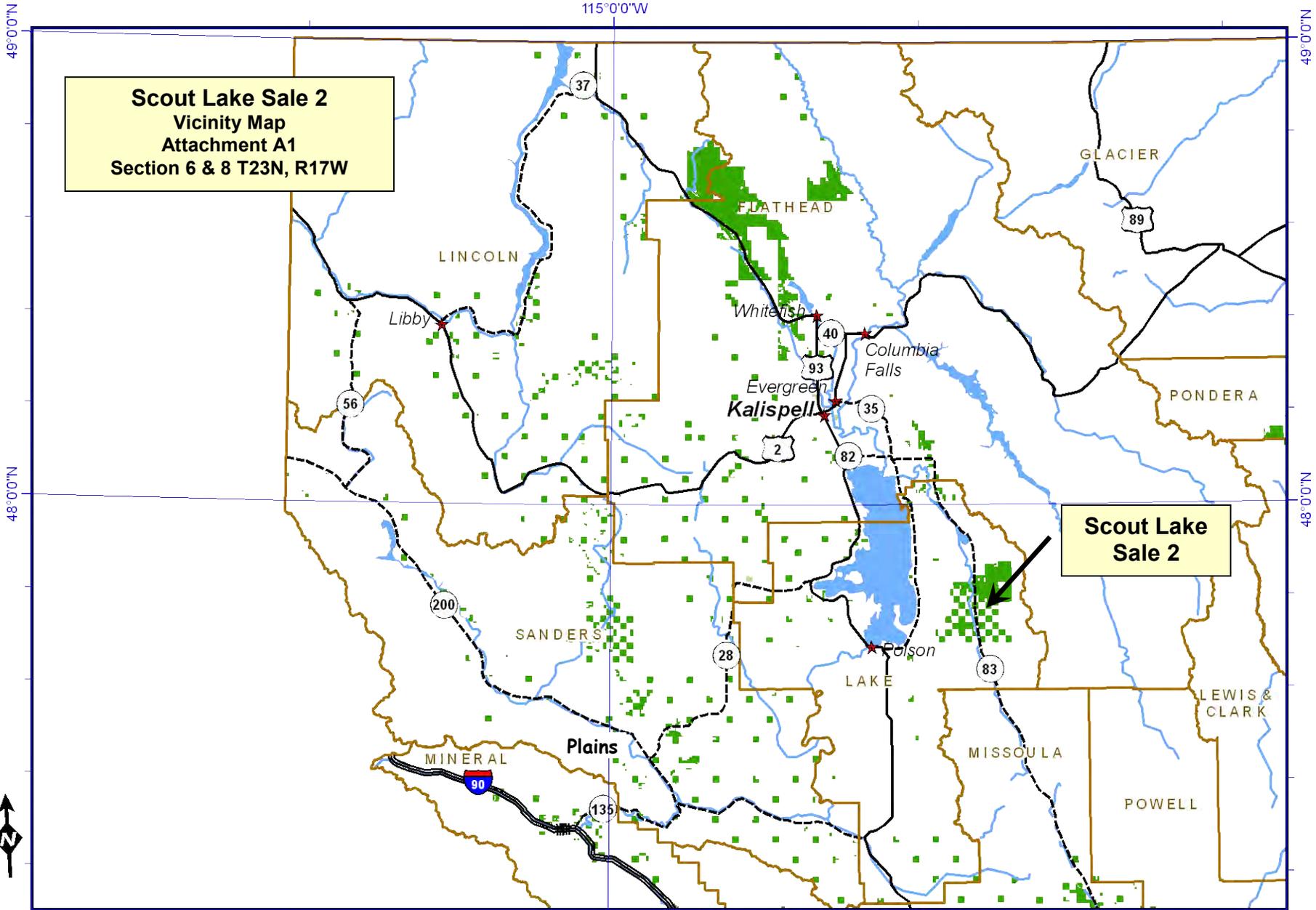
Many of the larger trees in the old growth portions of the stands are dead or dying as a result of insect and disease issues. In addition, many of the seral species are declining while shade tolerant species are increasing and moving away from desired future conditions (DFCs). Variable thinning harvest treatments in old growth stands correspond to old growth maintenance treatments, meant to emulate mixed-severity fire regimes. Seedtree and shelterwood harvest treatments in old growth stands correspond to old growth removal treatments which are meant to emulate stand replacement fire regimes on these sites (ARM 36.11.418). This type of treatment is designed to reduce short and long-term insect and disease problems, increase the presence of seral species (western larch, western white pine, etc.) and reduce the amount of shade tolerant species such as subalpine fir, balance value recovery of dead and dying trees with environmental considerations, and move these stands toward desired future conditions.

Ponderosa pine, western white pine, western larch, and Douglas-fir would be favored for retention within all harvest units. Leave trees would represent various size and age classes. Stands would move from predominantly shade tolerant or climax species, such as Engelmann spruce, grand fir, and subalpine fir, to shade intolerant or seral species such as ponderosa pine, western larch, western white pine, and Douglas-fir. This would also move these stands towards the department's desired future condition for the Swan River State Forest. This proposed treatment is consistent with the SFLMP, HCP, and Forest Management Rules.

- **Wildlife** – Road closures would remain in place. Forest connectivity to allow animals to move between areas would be slightly reduced. At least 2 large snags per acre would be retained after harvest where available. Thermal cover for deer and elk would be reduced.
- **Threatened and Endangered Species** –
 - **Grizzly Bear** – This sale conforms to the Swan Valley Grizzly Bear Conservation Agreement. Harvest activities are not permitted during the spring season from April 1 through June 15 of each year.
 - **Bull Trout** – No timber harvest is planned within SMZs along streams with a bull trout population. Unit boundaries have been designed to limit potential impacts to streams and comply with all applicable Rules and Laws.
- **Water Quality/Streams** – There are no plans to harvest within SMZ or RMZ buffers. All road reconstruction would meet current BMPs for water quality. After completion of all timber sales and permits, overall sediment delivery would be reduced on Cedar Creek as a result of BMP improvements to existing road.
- **Biodiversity** – The sale harvest prescriptions would have a variety of size and age classes present after harvest. Seral stands would replace the non-typical climax stands identified for treatment. Harvest prescriptions along with post-harvest treatments of pile and scarification, pile burning and planting would contribute to creating a variety of stands that are more reflective of historic species composition on the landscape.

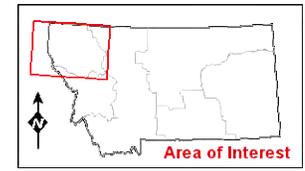
- **Economics** – The sale is expected to generate a minimum of \$240,820 for the Common School Trust. The sale would also spur the local economy through creating or sustaining as many as 24 higher paying timber industry related jobs.
- **Forest Health** – This sale is designed to address forest health issues by treating stands with insect and disease problems. The stands selected for treatment exhibit poor vigor and growth along with mortality due to insect and disease problems. This area in particular has been impacted by dwarf mistletoe, Pini rot, white pine blister rust, and Indian paint fungus resulting in moderate defect and mortality to species such as western larch, western white pine, subalpine fir, and grand fir. The mountain pine beetle is also present and is expected to increase in numbers resulting in significant amounts of lodgepole and western white pine mortality. Without treatment, these problems will likely worsen and spread as documented by regular aerial survey flights. Treatments would remove dead and dying or infected trees to capture the associated revenue and allow for healthy trees to take their place or to allow healthy residual trees to grow to full potential.

The Director recommends the Land Board direct the Department to sell the Scout Lake Sale #2 Timber Sale.

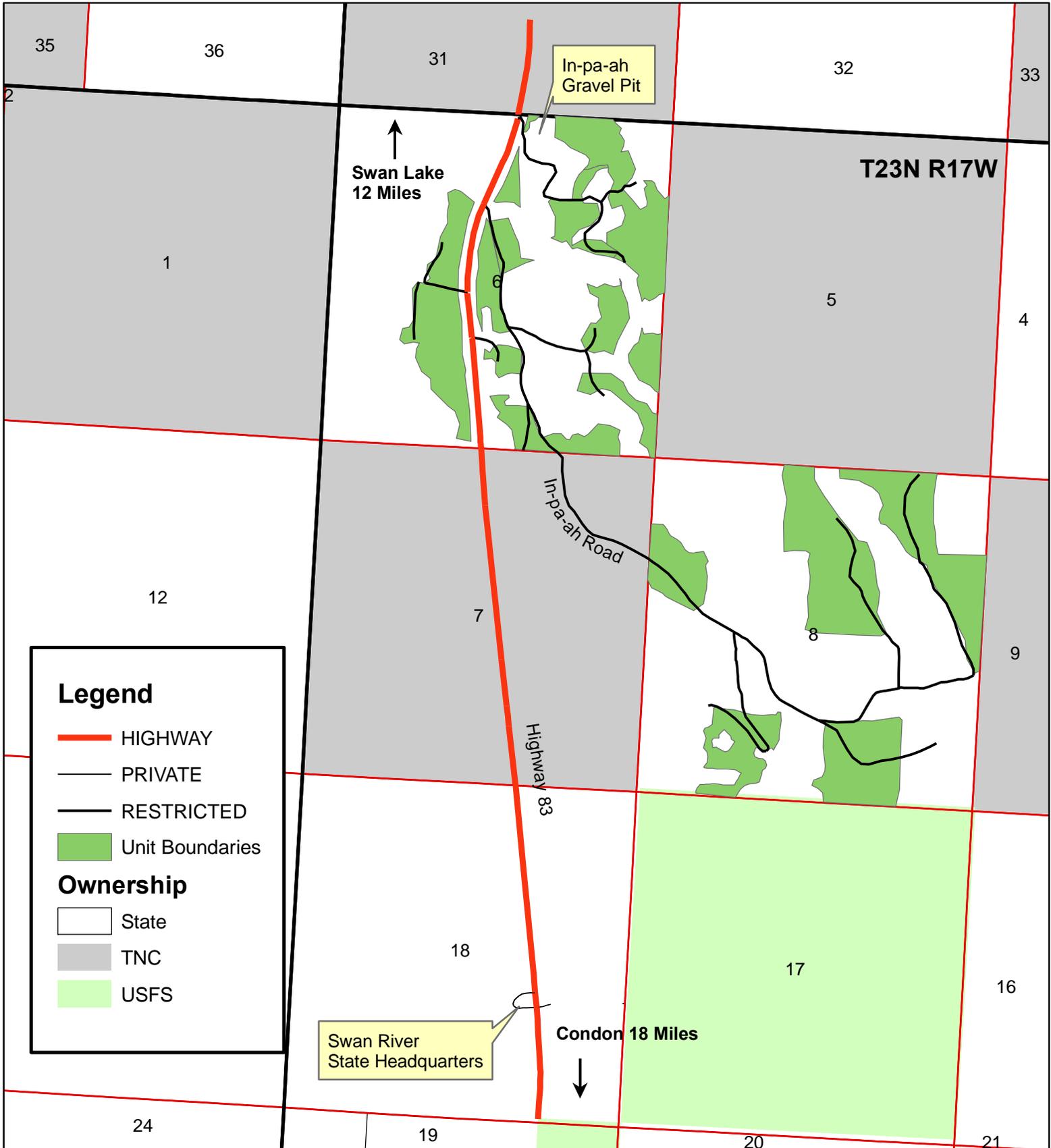
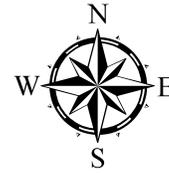


	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other

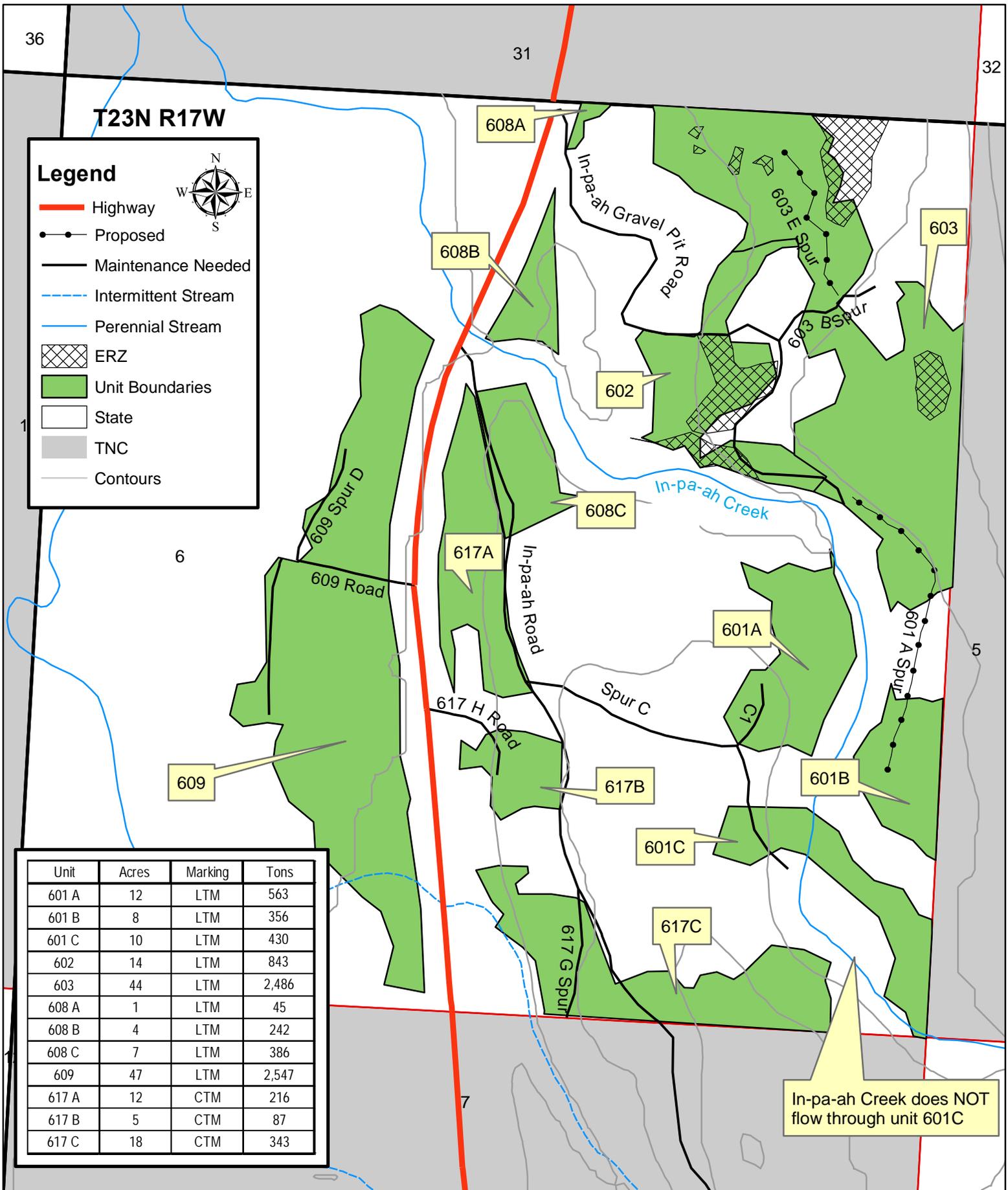
21 February 2007
Montana DNRC
Technical Services Section/dr



Scout Lake Sale 2 S6,8 T23N R17W Haul Route Map Attachment A2



Scout Lake Sale 2 S6 T23N R17W Unit Map Attachment A3

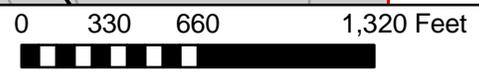


Legend

- Highway
- Proposed
- Maintenance Needed
- Intermittent Stream
- Perennial Stream
- ERZ
- Unit Boundaries
- State
- TNC
- Contours

Unit	Acres	Marking	Tons
601 A	12	LTM	563
601 B	8	LTM	356
601 C	10	LTM	430
602	14	LTM	843
603	44	LTM	2,486
608 A	1	LTM	45
608 B	4	LTM	242
608 C	7	LTM	386
609	47	LTM	2,547
617 A	12	CTM	216
617 B	5	CTM	87
617 C	18	CTM	343

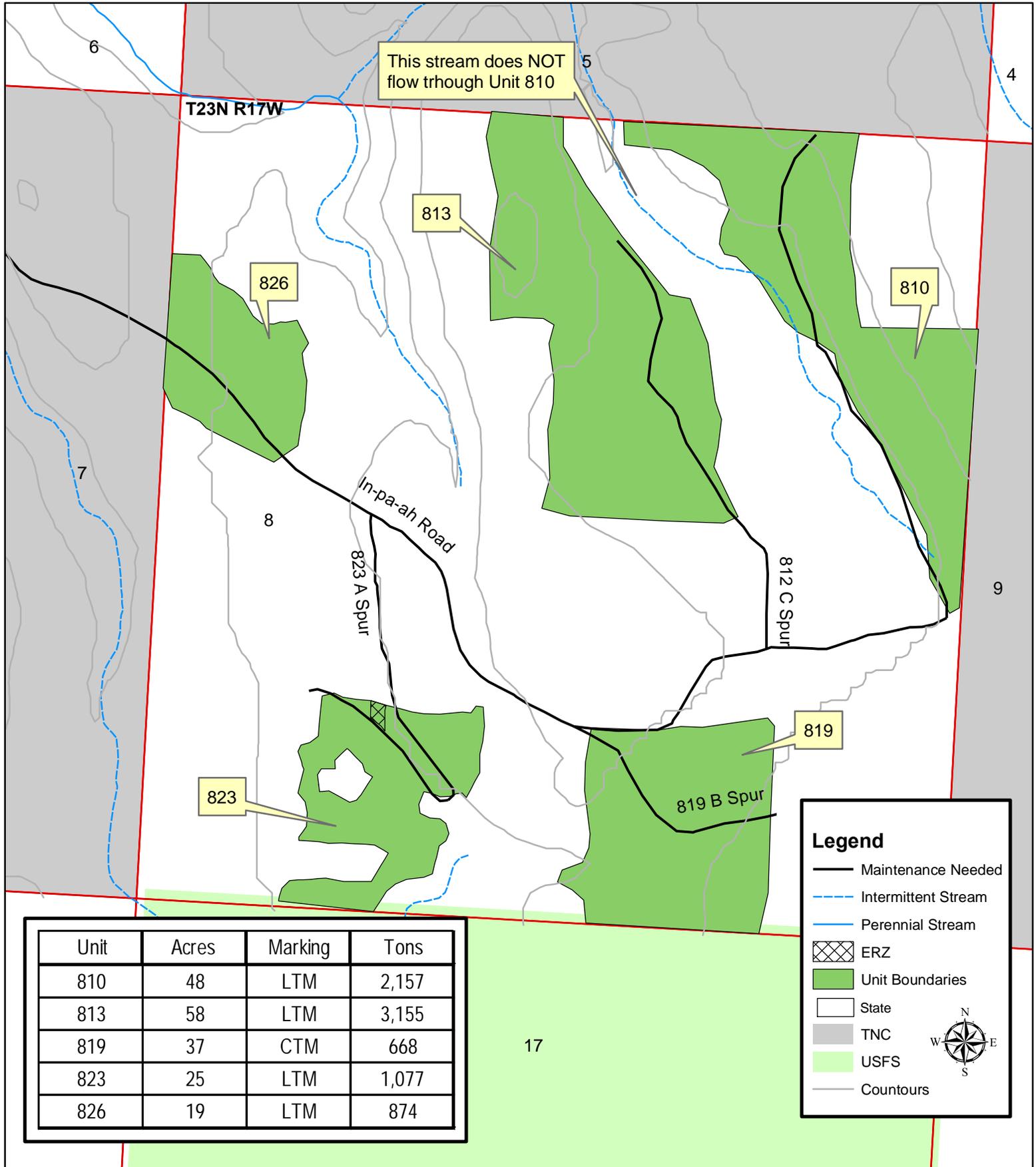
In-pa-ah Creek does NOT flow through unit 601C



Scout Lake Sale 2 Unit Map

S8 T23N R17W

Attachment A4



UPPER WHITEFISH TIMBER SALE

April 19, 2012 Land Board

Location of Sale:

- Stillwater Unit (NWLO) – Approximately 23 air miles northwest of Whitefish, Montana.
- Flathead County – Section 3, T33N-R23W and Sections 8, 16, 17, and 21, T34N-R23W
- 100% CS

Sale Volume & Estimated Value:

- The estimated volume is 9,494 tons (1,648 MBF) of sawlogs with a conversion factor of 5.76 tons/MBF

Minimum Bid Rate (per ton)	Forest Improvement Fee (per ton)	Total Minimum Value (per ton)	Estimated Volume (tons)	Total Minimum Sale Value
\$10.76	\$4.36	\$15.12	9,494	\$143,549.28

Sale & Harvest Treatments:

- The sale consists of 8 harvest units that total 158 acres.
- Approximately 94 acres are to be regenerated, mostly through seed tree with reserve treatments. 13 acres would be commercially thinned.
- There are approximately 51 acres of old growth that are to receive an old growth maintenance treatment. An old growth maintenance treatment is an intermediate harvest to remove encroaching shade-tolerant species (subalpine fir and Engelmann spruce) while creating some small canopy gaps, generally less than one acre in size, to promote regeneration of shade-intolerant species (particularly western white pine).
- This treatment is in accordance with *ARM 36.11.418* and specifically *Section c(ii)*. Harvest units will have site preparation to promote western white pine and western larch regeneration; an estimated 135 acres will be interplanted with western white pine.

Harvest Systems:

- 74% Tractor
- 26% Cable

Road Construction & Maintenance:

- 0.6 miles of road will be reconstructed and approximately 17 miles of existing road will receive various levels of maintenance, including removal of one stream crossing structure that is undersized.
- Current road restrictions for the public will remain in place to maintain wildlife security, reduce the spread of noxious weeds, and minimize future maintenance costs.

Public Involvement:

- DNRC actively sought input from the public throughout this project. Public involvement was solicited through a legal notice in both the *Daily InterLake* and *Whitefish Pilot*. The Initial Proposal was sent to neighboring landowners, additional individuals, organizations, elected officials, businesses, and other agencies. They were invited to learn more about the proposed project, as well as, help DNRC accurately capture their issues and concerns. Four responses were received on the initial proposal, including one party that would like to be kept informed.

Public Comments, Issues, & Mitigations:

- ***WILDLIFE***

This project area is within grizzly bear recovery areas, specifically the Upper Whitefish subunit. The design measures in the recently passed Habitat Conservation Plan related to grizzly bears, Canada lynx, westslope cutthroat trout, and bull trout were incorporated into the project. Other ARMs for wildlife species were met and included fisher, pileated woodpecker, and bald eagle habitats.

- ***OLD GROWTH***

This issue was analyzed in the EA. The project design criteria prompted foresters to locate old-growth stands within the project area and assess the general health of those stands. Within the 2,770 acre project area, 252 acres of old-growth were identified. Of these 252 acres, approximately 51 acres will receive a harvest treatment and will remain old growth, as defined in *ARM 36.11.403(48) and 36.11.418.c.ii*. Stillwater Unit will still retain approximately 10.7 percent or 12,528 acres of old growth.

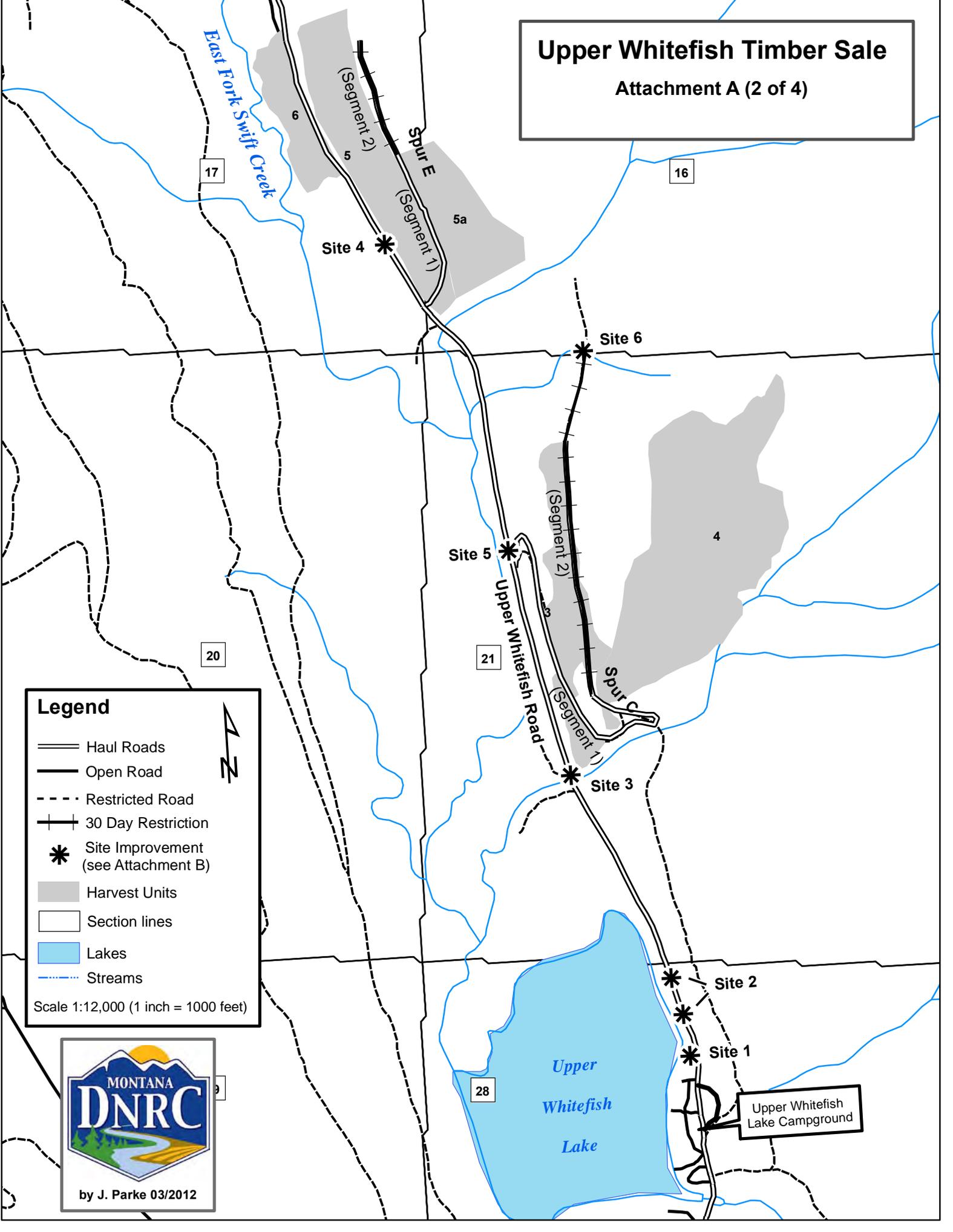
- ***NATIVE FISH***

Two comments were received about stream protection measures and habitat for westslope cutthroat and bull trout. The SMZ laws were strictly followed to establish stream buffers and design measures in the Habitat Conservation Plan were implemented which extended those buffers and prescribed how those areas will be managed.

The Director recommends the Land Board direct the Department to sell the Upper Whitefish Timber Sale.

Upper Whitefish Timber Sale

Attachment A (2 of 4)



Legend

- Haul Roads
- Open Road
- Restricted Road
- 30 Day Restriction
- Site Improvement (see Attachment B)
- Harvest Units
- Section lines
- Lakes
- Streams

Scale 1:12,000 (1 inch = 1000 feet)

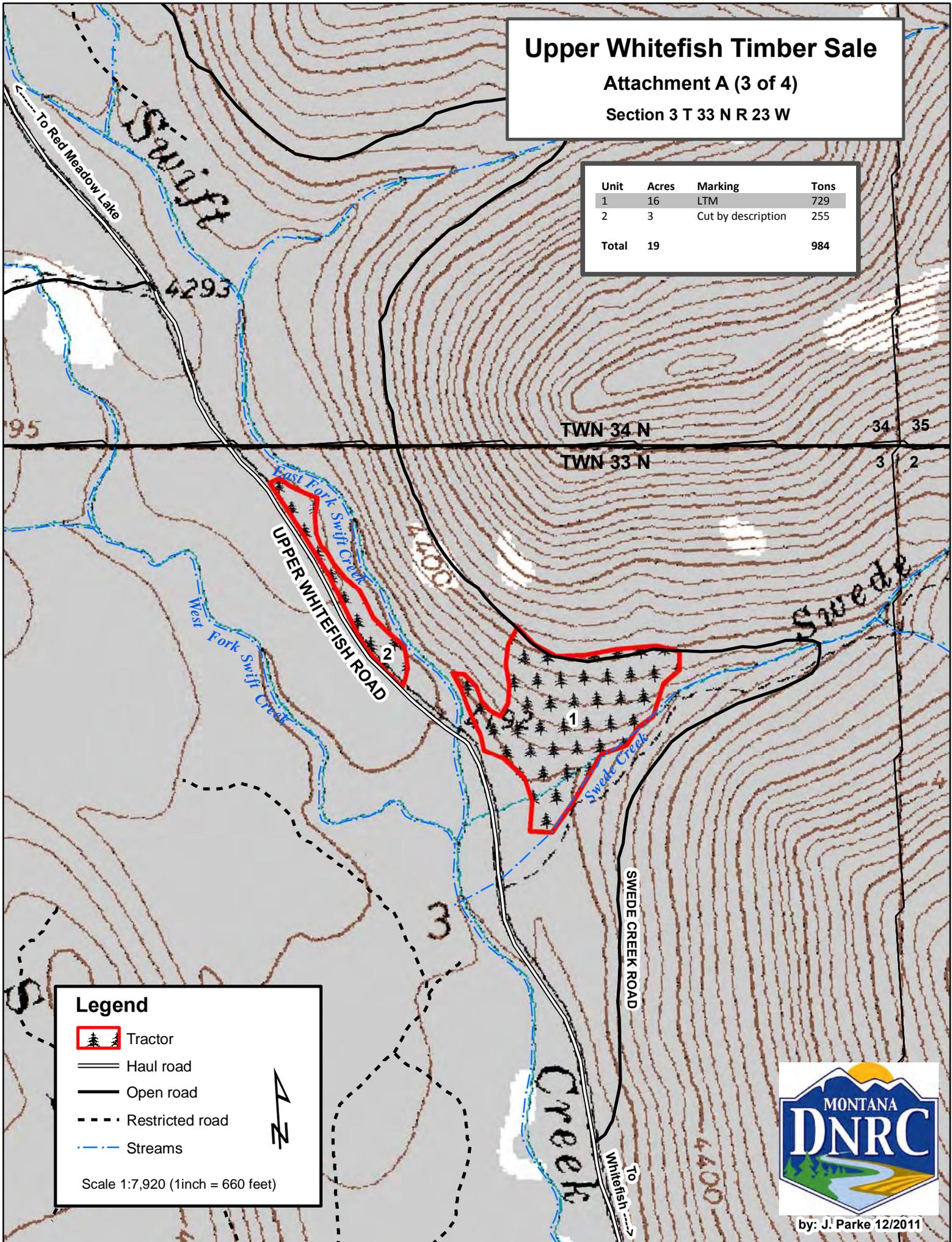


Upper Whitefish Timber Sale

Attachment A (3 of 4)

Section 3 T 33 N R 23 W

Unit	Acres	Marking	Tons
1	16	LTM	729
2	3	Cut by description	255
Total	19		984



Legend

- Tractor
- Haul road
- Open road
- Restricted road
- Streams

Scale 1:7,920 (1inch = 660 feet)



by: J. Parke 12/2011

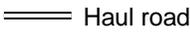
Upper Whitefish Timber Sale

Attachment A (4 of 4)

Sections 8, 16, 17, & 21 T 34 N R 23 W

Unit	Acres	Marking	Tons
3	16	Cut by description	1,133
4	57	SD/CTM	2,774
5	25	LTM	1,741
5a	16	Cut by description	1,114
6	10	CTM	252
7	15	Cut by description	1,496
Total	139		8,510

Legend

-  Cable
-  Combo
-  Downhill yarding (optional)
-  Tractor
-  Haul road
-  Open road
-  Restricted road
-  Streams

Scale 1:12,000 (1 inch = 1000 feet)

1,000 500 0 1,000 Feet



by: J. Parke 12/2011

412-3

PRELIMINARY APPROVAL FOR LAND
BANKING ACQUISITION MILK RIVER
RANCH: HILL COUNTY

LAND BOARD AGENDA ITEM
April 19th, 2012
PRELIMINARY APPROVAL FOR LAND BANKING ACQUISITION

Proposed Acquisition:

The property known as Milk River Ranch, containing approximately 4,504.00 acres of grazing and farmland with wildlife habitat and recreational opportunities has been identified as a potential acquisition. This acquisition would be a joint acquisition between DNRC and MT FWP. DNRC would acquire 1,663 acres of grazing and farmland, while FWP would acquire 2,841 of grazing land and Milk River bottomlands for wildlife habitat. The total cost of the lands to be purchased with Land Banking funds is between \$1,200,000 and \$1,600,000.

Selection Considerations:

The Department has conducted a review of this tract nominated for acquisition per Administrative Rule 36.25.813 (3).

Access: The tracts are accessible by private and county roads, and through adjacent trust lands. Purchase of this property would secure perpetual public access.

Revenue: The predicted annual rate of return, over a 20 year period is estimated at 1.68% to 2.23%. This revenue estimate does not account for potential additional revenue from gravel sales. Gravel sales will be analyzed if preliminary approval is granted, and may indicate a higher rate of return.

Multiple Use: The agricultural components of the Milk River Ranch present an opportunity to earn improved income from dryland and irrigated farmland, grazing land and gravel extraction. The proposed acquisition would consolidate state trust land holdings, improve income and require minimal investment of staff time to manage. The tracts also provide excellent wildlife habitat for a wide variety of large and small game animals.

Location: The property is located 25 miles north of Gilford MT, Hill County, straddling the Milk River.

Cooperation: DNRC is working cooperatively with MT FWP, to identify this proposed acquisition.

Steps in this process include securing a purchase agreement contingent upon findings of the due diligence as per Land Banking rule ARM 36.25.813 through 815. Due diligence includes a detailed inventory report of the property, appraisal, Phase 1 hazardous materials study, an in-depth financial analysis, and a survey, if needed, followed by final Land Board approval.

Agency Recommendation:

The Director recommends preliminary approval of the Milk River Ranch tracts for further consideration for acquisition.

Milk River Ranch

Hill County, Estimated Price \$1.2 to \$1.6 million

Location: 25 miles north of Gilford MT, Hill County

Acreage: 1,663 deeded acres (Grazing Land - Native range: 734.17 acres, Tame range: 184.14 acres; Non-irrigated Crop Land - 658.65 acres; Irrigated Crop Land - 86.45 acres)

Carrying Capacity: 918.31 acres of grazing lands are estimated to have an initial stocking rate of .33 AUMs / acre or 299 AUMs.

Crop Land: Non-irrigated crop land is 658.65 acres with estimated yields of winter wheat of 40 bushels per acre.

Stockwater: Stock water sources are the Milk River and one stock pit.

Irrigation: 86.8 acres currently in small grains, estimated yields of spring wheat is 75 bushels per acre, the water source for the pivot is the Milk River.

Timber: None

Fencing: 7 miles 4 wire fence in good condition.

Improvements: ¼ mile irrigation pivot with irrigation pumps and low pressure pipe delivery system. All improvements are in good condition, but 2011 flooding requires additional work at the point of diversion.

County/Taxes: Not available at this time

Precipitation: 10 - 12 inch precipitation zone

Comments: The agricultural components of the Milk River Ranch present an opportunity to earn improved income from dryland and irrigated farmland, grazing land and gravel extraction. The existing agricultural operator has proposed a lease back arrangement. The DNRC has a long standing



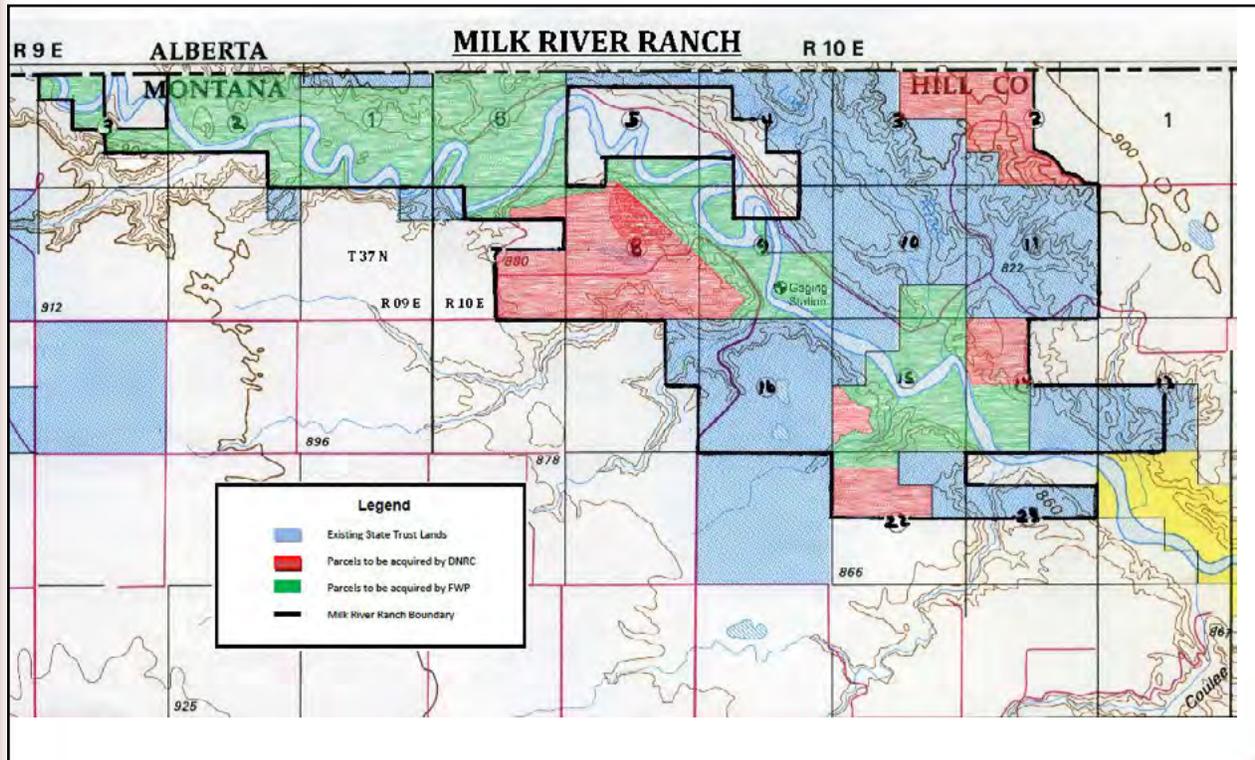
Milk River Ranch

leasing relationship with the Milk River Ranch regarding immediately adjacent state school trust lands. The proposed acquisition would consolidate state trust land holding, improve income and require minimal investment of staff time to manage.

Revenue Estimate:

Grazing Land	299 AUM @ \$20 / AUM = \$5,980
Dryland Agricultural Land	658 Acres @ \$25 / Acre = \$16,450
Irrigated Agricultural Land	86.45 Acres @ \$50 / Acre = \$4,322
Gravel Income	Unknown
Total Income	\$26,752

This acquisition would be a joint acquisition between DNRC and MT FWP. The Milk River Ranch straddles the Milk River and contains approximately 4,504 acres of grazing and farmland, with wildlife habitat and recreational opportunities. DNRC would acquire grazing and farmland, while FWP would acquire 2,841 of grazing land and Milk River bottomlands for wildlife habitat.



412-4

EASEMENTS

SUMMARY SHEET – RIGHTS OF WAY APPLICATIONS

HISTORIC ELECTRIC UTILITY - *Hill County Electric Coop.* (Page 3)
- *Big Flat Electric Coop.* (Pages 7-9)

NEW ELECTRIC UTILITY – *Vigilante Electric Coop.* (Page 1)

NEW TELECOMM. UTILITY – *3 Rivers Communications* (Page 2)
- *Mid-Rivers Telephone Coop.* (Pages 5-6)

STATE HIGHWAY – *MT. Department of Transportation* (Page 4)

AFFECTED GRANTS AND PROPOSED INCOME:

Common Schools	\$ 11,616
State Normal School	\$ 530

AFFECTED COUNTIES: Beaverhead, Blaine, Musselshell, Phillips, Teton

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Vigilante Electric Cooperative, Inc.
P O Box 1049
Dillon MT 59725

Application No.: 15665
R/W Purpose: an overhead electric distribution line
Lessee Agreement: ok
Acreage: 0.53
Compensation: \$530.00
Legal Description: 15-foot strip through E2NE4, Sec. 34, Twp. 2S, Rge. 15W,
Beaverhead County
Trust Beneficiary: State Normal School
Classification: III



Application is made to supply electrical service to a residential neighborhood subdivision in the Steel Creek area outside of Wisdom. The proposed facility parallels an existing county road, legally sited on the state section as a result of the historic right of way program. However, the proposed line is to be constructed outside of the county road easement boundary, thus it requires its own easement. The new line will connect to an existing overhead power line in the NE4NE4 that was authorized under a previous easement grant from the Board. Minimal impacts are expected to occur with the project. The Department recommends approval of this request.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: 3 Rivers Communications, Inc.
P O Box 429
Fairfield MT 59436

Application No.: 15967
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 1.46
Compensation: \$1,460.00
Legal Description: 20-foot strip through E2SE4, Sec. 9, Twp. 24N, Rge. 5W,
Teton County
Trust Beneficiary: Common Schools
Classification: III



Applicant was requested to provide fiber optic service from their existing facilities within Highway #89 to a Verizon cellular facility and a private residence located on private lands adjacent to the State section. The proposed corridor is located along a private access road which is legally sited for use by Verizon Wireless and Pat Saylor. Minimal impacts are anticipated from the installation of the buried cable alongside the private road. The Department recommends approval.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Hill County Electric Cooperative, Inc.
P O Box 1140
Havre MT 59501

Application No.: 15970
R/W Purpose: an overhead electric distribution line
Lessee Agreement: N/A (Historic)
Acreage: 2.42
Compensation: \$545.00
Legal Description: 20-foot strip through S2S2, Sec. 36, Twp. 37N, Rge. 19E,
Blaine County
Trust Beneficiary: Common Schools
Classification: III



Application is made pursuant to §77-1-130, Historic Rights of Way.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Montana Department of Transportation
P O Box 201001
Helena MT 59620-1001

Application No.: 15971
R/W Purpose: highway construction and maintenance, including occupancy by
public utilities as defined in §69-4-101, MCA

Lessee Agreement: ok
Acreage: 4.30
Compensation: \$1,548.00
Legal Description: Tract of land in NW4SE4, Sec. 10, Twp. 27N, Rge. 6W,
Teton County

Trust Beneficiary: Common Schools
Classification: III



The Department of Transportation plans to reconstruct a portion of Highway #89 beginning approximately 10 miles south of DePuyer and proceeding northwest for 5.5 miles. The proposal is to reduce the number and severity of curves and establish pedestrian and bicycle facilities where practical to safely accommodate recreational activities. In addition, three wildlife viewing/scenic pullout areas will be created over the entire project. New culverts will also be installed to allow passage of grizzly bears and other species under the highway. The Department recommends approval.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative, Inc.
105 Seven Mile Drive
Glendive MT 59330

Application No.: 15972
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 4.03
Compensation: \$3,620.00
Legal Description: 20-foot strip through N2 & SE4, Sec. 7, Twp. 6N, Rge. 24E,
Musselshell County
Trust Beneficiary: Common Schools
Classification: III



Applicant is upgrading existing facilities in the Bundy to Coyote Creek area in Musselshell County. A construction license was granted previously due to time constraints for the install. The license required applicant to make application for a permanent easement and stipulated that should an easement not be granted the facility would have to be removed. The installation of the line occurred in existing easement corridors and the area successfully reclaimed. The Department recommends approval of a permanent easement.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative, Inc.
105 Seven Mile Drive
Glendive MT 59330

Application No.: 15973
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 2.51
Compensation: \$1,260.00
Legal Description: 20-foot strip through E2E2, Sec. 36, Twp. 10N, Rge. 25E,
Musselshell County
Trust Beneficiary: Common Schools
Classification: III



See explanation on previous page.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Big Flat Electric Cooperative, Inc.
P O Box 229
Malta MT 59538

Application No.: 15974
R/W Purpose: an overhead electric distribution line
Lessee Agreement: N/A (Historic)
Acreage: 3.03
Compensation: \$1,061.00
Legal Description: 25-foot strip through S2S2, Sec. 9, Twp. 37N, Rge. 32E,
Phillips County
Trust Beneficiary: Common Schools
Classification: III



Application is made pursuant to §77-1-130, Historic Rights of Way.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Big Flat Electric Cooperative, Inc.
P O Box 229
Malta MT 59538

Application No.: 15975
R/W Purpose: an overhead electric distribution line
Lessee Agreement: N/A (Historic)
Acreage: 3.03
Compensation: \$1,061.00
Legal Description: 25-foot strip through S2S2, Sec. 8, Twp. 37N, Rge. 32E,
Phillips County
Trust Beneficiary: Common Schools
Classification: III



Application is made pursuant to §77-1-130, Historic Rights of Way.

Rights of Way Applications

April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Big Flat Electric Cooperative, Inc.
P O Box 229
Malta MT 59538

Application No.: 15976
R/W Purpose: an overhead electric distribution line
Lessee Agreement: N/A (Historic)
Acreage: 3.03
Compensation: \$1,061.00
Legal Description: 25-foot strip through E2E2, Sec. 8, Twp. 37N, Rge. 32E,
Phillips County
Trust Beneficiary: Common Schools
Classification: III



Application is made pursuant to §77-1-130, Historic Rights of Way.

Rights of Way Applications April 19, 2012

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant:	Youngs Creek Mining Company LLC 1949 Sugarland Drive, Suite 220 Sheridan WY 82801
Application No.:	14929
R/W Purpose:	a 40-year limited term easement for the construction of a single line railroad, including access road and associated electrical and telecommunications cable
Lessee Agreement:	ok
Acreage:	31.91
Compensation:	\$63,820
Legal Description:	600-foot strip through Gov. Lots 1, 2, 3 & 5, Sec. 36, Twp. 9S, Rge. 39E, Big Horn County
Trust Beneficiary:	Common Schools
Classification:	II



This application has been on hold since the initial presentation to the Land Board at the August 10, 2009 meeting. At that time the Board requested additional information on relocation be gathered which is attached. Further, representatives of Youngs Creek will present additional information regarding their proposal to the Board. Youngs Creek has made an offer of \$2,000 per acre as the compensation value to the Common School trust. This value is consistent with the assessment for the Signal Peak mine's railroad spur and is approximately 3 times the land value previously proposed by the Department.

YOUNGS CREEK EASEMENT REQUEST

OVERVIEW:

This proposed easement is for a rail spur line that would connect the Youngs Creek coal mine in Wyoming to the existing Burlington Northern-Sante Fe Railway (BNSF) Decker spur line. The coal mine lies approximately one mile from the Montana state line and lies east of the Tongue River. The rail line will transport coal from the Youngs Creek mine to the BNSF Decker spur in Montana, which heads south to Wyoming and then loops back in to Montana, connecting to the main BNSF line heading to east and west markets.

A 40-year limited term easement is recommended due to the life expectancy of the mine. It is possible that additional coal deposits may be expanded, possibly into Montana, which would extend the life of the mine. Should this occur, the easement would need to be renewed, at which point a new valuation for compensation to the Common School trust would occur. Once terminated, the easement corridor will be reclaimed to the specifications of DNRC.

Because this rail line is not in a common carrier status, no federal permits are required. Additionally, other than possible permits needed from DEQ for air quality and stormwater discharge. The Tongue River will not be crossed and the proposed line avoids coming close in proximity to the river banks.

ANALYSIS OF RELOCATION:

Alternate routes were reviewed in detail. Given the construction constraints regarding track curvature and alignment with the existing BNSF Decker spur, limited possibilities exist.

Preferred Alternative – State Land:

The proposed rail spur would traverse grazing lands that are rated as being less productive than the state average. The state lessee requested a modification to their lease agreement and assigned to Youngs Creek the portion of the lease over which the proposed rail spur would be constructed. Youngs Creek is currently paying the annual AUM rate applicable to that portion of the lease.

The proposed route into Montana and crossing the State section is less environmentally invasive and stays a safe distance from the Tongue River. It also avoids construction of difficult track alignments and curvatures that were not acceptable to BNSF if the line were constructed solely in Wyoming.

North of State Land:

This route is not considered viable. Properties north and west of the state land contain federal coal deposits that may be extracted in the future. Placement of a rail spur through this area would impact future potential of mining additional coal reserves.

South of State Land:

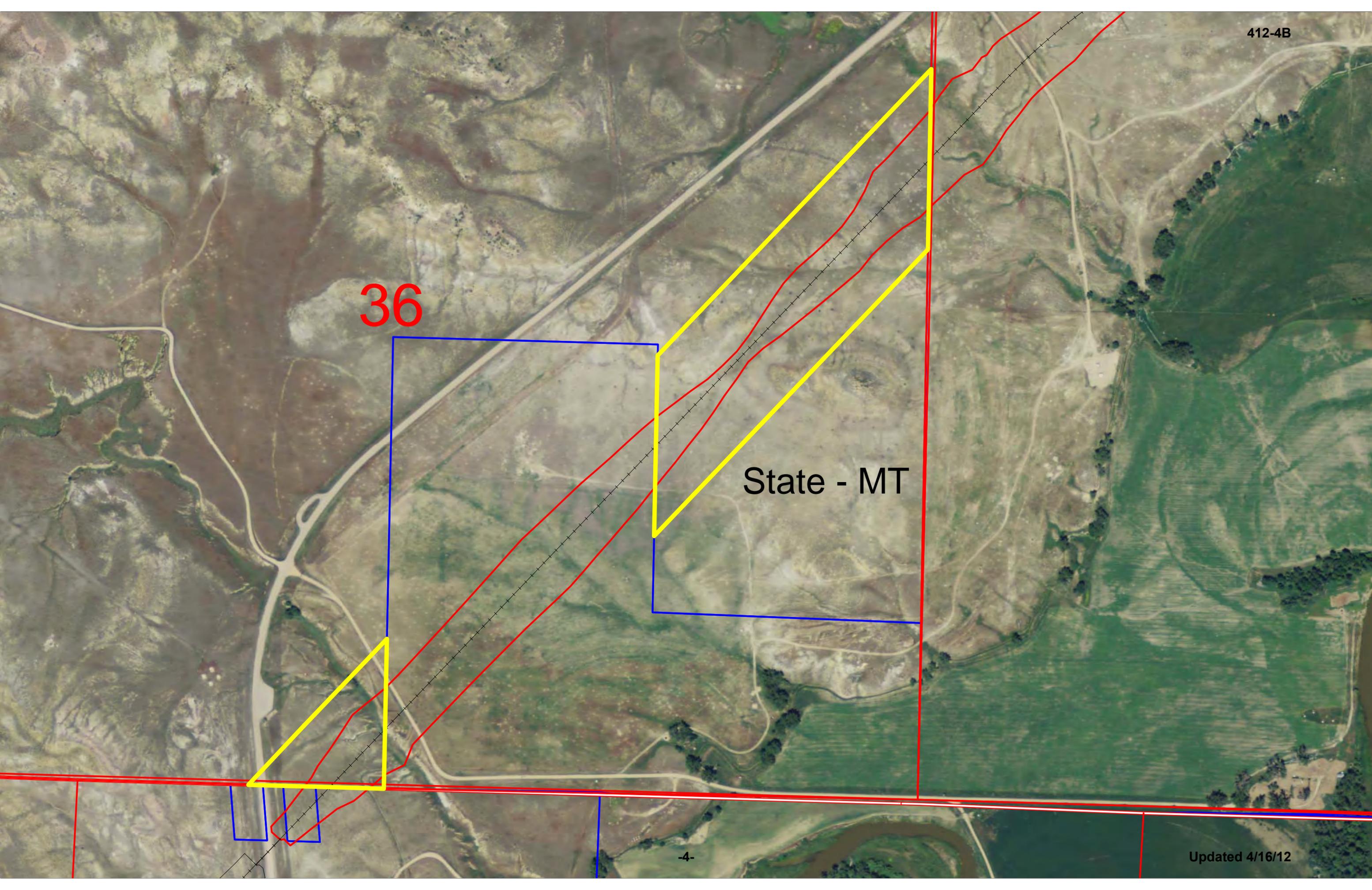
Placement of a rail line south of the State land would impact and cause relocation of a major ditch system, the Interstate Ditch, and destroy irrigated hay land. The landowner impacted has stated he would be adamantly opposed to such a location. In addition, this proposed alignment would place the center of the rail line within 1,700 feet of his private residence and within 500 feet of the Tongue River. The southern route would require an additional one million cubic yards of fill material, which would rise 95 feet from the lowest point on the route up to the rail bed.

Wyoming Side:

Proposing a route strictly through Wyoming would severely impact highly productive agricultural lands and require multiple crossings of the Tongue River. In addition, given the curvature of the BNSF spur in Wyoming a connection at that location would be much less desirable to BNSF.

36

State - MT



412-4B



412-4B



412-4B



412-4B



412-4B

