

AGENDA
REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
Monday, November 21, 2016, at 9:00 a.m.
State Capitol, Room 303
Helena, MT

ACTION ITEMS

~~1116-1 **FWP: Harrison Lake FAS Addition (Donation from DNRC):**~~

~~Benefits: N/A (non-trust land)~~

~~Location: Madison County~~

1116-2 **FWP: Lost River Wildlife Management Area Addition/Fee Acquisition:**

Benefits: N/A (non-trust land)

Location: Hill County

Approved 5-0

1116-3 **Timber Sales**

A. LaMoose Springs

Benefits: Common Schools

Location: Lake County

B. Alkali Coulee Limited Access

Benefits: Common Schools

Location: Fergus County

C. Short Skid

Benefits: Common Schools

Location: Broadwater County

Approved 5-0

1116-4 **Land Banking Parcel: Set Minimum Bid for Sale**

Benefits: Common Schools

Location: Yellowstone County

Approved 5-0

1116-5 **Land Banking Acquisition: Preliminary Approval for Purchase**

Benefits: TBD

Location: Stillwater County

Approved 5-0

1116-6 **Sale of Cabin and Home Site Set Minimum Bid for Sale – Sale 764**

Benefits: Montana Tech

Location: Flathead County

Approved 5-0

1116-7 **Easements**

A. Easements

Benefits: Common Schools, Public Lands

Location: Cascade, Custer, Daniels, Fergus, Gallatin, Lincoln, Madison, Mineral, Missoula, Ravalli Counties

B. Ogilvie Easement Exchange

Benefits: Common Schools

Location: Lewis & Clark County

C. Clearwater Junction Reciprocal Access

Benefits: Common Schools, Pine Hills School

Location: Missoula County

Approved 5-0

PUBLIC COMMENT

Withdrawn

1116-1

FWP: HARRISON LAKE FAS ADDITION

Donation form DNRC

Withdrawn

**Land Board Agenda Item
November 21, 2016**

1116-1 FWP: Harrison Lake FAS Addition (Donation from DNRC)

Location: Madison County, Montana

Trust Benefits: n/a

Trust Revenue: n/a

Item Summary

Montana Fish, Wildlife and Parks (FWP) proposes to accept a donation of approximately 193 acres as an addition to the Harrison Lake Fishing Access Site. The property is located east of Harrison in Madison County, Montana (map attached). The property is part of the Willow Creek Project and is owned and administered by the Montana Department of Natural Resources and Conservation (DNRC) through its State Water Projects Bureau. The Willow Creek Water Users Association (WCWUA) operates the Willow Creek Project under a water marketing contract with DNRC. At the request of the WCWUA, SB 221 was introduced and passed during the 2015 Legislative Session requiring DNRC to attempt to dispose of the Willow Creek Project lands. In order to ensure continued public access to the lake DNRC is proposing to transfer through donation, approximately 193 acres of their land to FWP. Combined with FWP's existing ownership of approximately 37 acres this transaction will bring FWP's land ownership to a total of approximately 230 acres. FWP has subsequently been working with DNRC staff and the adjacent private landowners to correct boundary line issues prior to conveyance to FWP. DNRC is now prepared to transfer the 193 acres to FWP and the balance of the DNRC property to the WCWUA.

An EA was prepared by DNRC with the public comment period extending from February 8 through March 8, 2016. Public comments were evaluated and a Decision Notice was released by DNRC on May 16, 2016 recommending transfer to FWP. The WCWUA has shared concerns about management of public recreation on the reservoir and FWP is working with them directly to address these concerns.

FWP Commission approved accepting the donation of the property on October 13, 2016.

Rationale or Land Board Action

Accepting the donation will improve management boundaries of the fishing access site and will also ensure that the public has access to the water regardless of the fluctuating water level. This donated addition to Harrison Lake Fishing Access Site will provide fishing and recreational benefits to the people of Montana for generations to come.

FWP Recommendation

FWP recommends approval by the Land Board to accept the donation of approximately 193 acres as an addition to the Harrison Lakes Fishing Access Site.

Harrison Lake FAS - Site Location





Harrison Lake FAS - Proposed Addition

-  Current FWP Land Ownership
-  Proposed FWP Land Ownership (transfer from DNRC)



1 inch equals 0.25 miles

1116-2

FWP: LOST RIVER WILDLIFE MANAGEMENT
AREA ADDITION/FEE ACQUISITION

Hill County

**Land Board Agenda Item
November 21, 2016**

1116-2 FWP: Lost River Wildlife Management Area Addition/Fee Acquisition

Location: Hill County, Montana

Trust Benefits: n/a

Trust Revenue: n/a

Item Summary

Montana Fish, Wildlife and Parks (FWP) propose to acquire a 640-acre addition to the 2,992-acre Lost River Wildlife Management Area (WMA). The property is located in Hill County approximately 45 miles northwest of Havre. The property is bisected by the Milk River and is surrounded on 3 sides by the existing WMA. The appraised value is \$700,000 and FWP will use Fish and Wildlife Service Pittman-Robertson and Habitat Montana funds. This acquisition complies with the requirements of HB403 as negotiations were underway prior to the passing of HB403.

The primary purpose of this action is to conserve and enhance native riparian and grassland communities that provide habitat for a variety of game and non-game species. The parcel is located within a 9,000+ acre block of public land and adds to a large corridor of native habitats along the Milk River from Canada to Fresno Reservoir. Conservation of the wildlife values of this parcel would help maintain the viability of this corridor for maintaining connectivity and genetic diversity of wildlife populations.

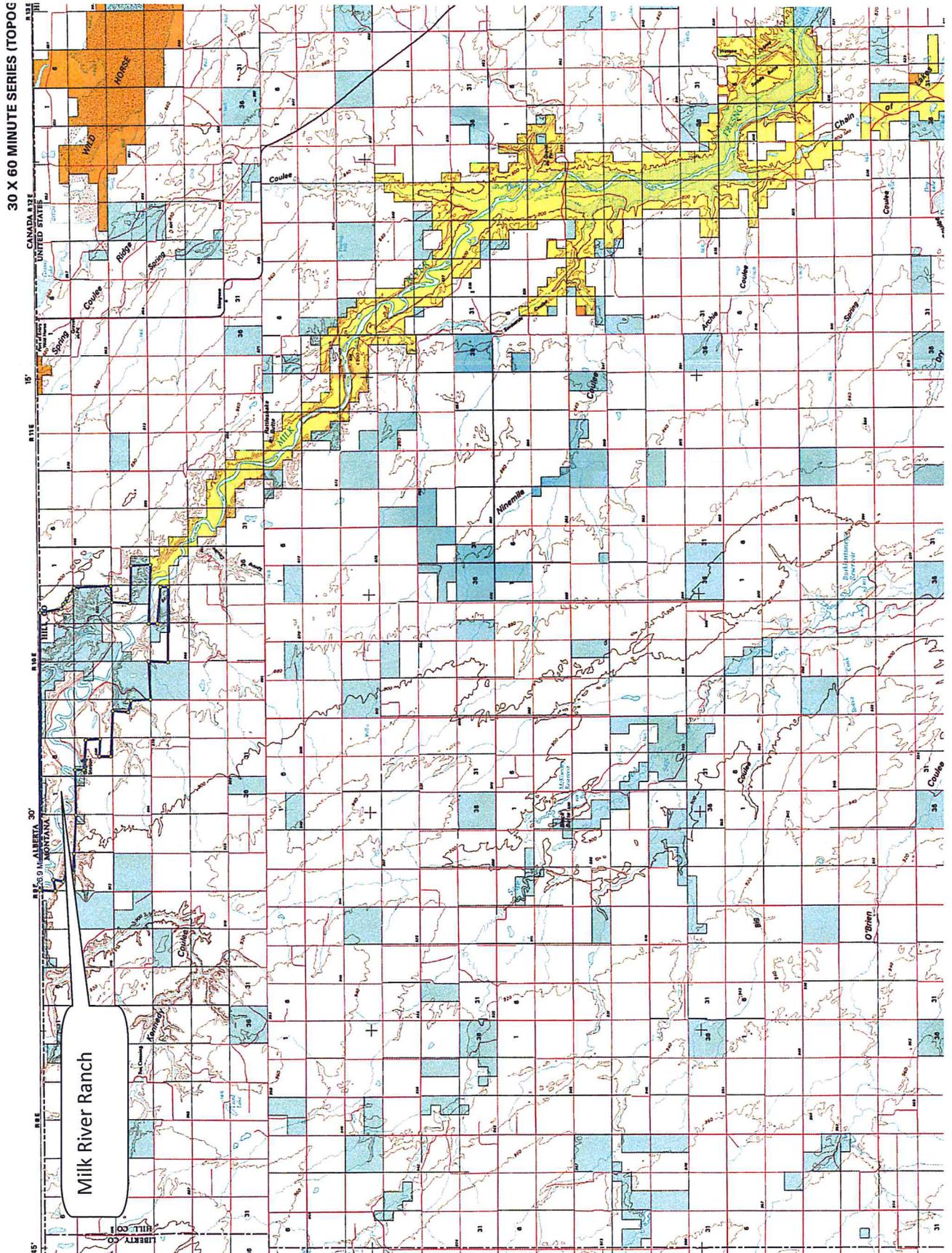
A second purpose for this project is to provide access to this property and adjacent public land for hunting, fishing, and other recreational activities. Milk River riparian habitats are valued for their abundant wildlife and recreational opportunities in addition to their potential productivity for ranching and agricultural operations. The majority of land along the Milk River in Montana is in private ownership. Recreational opportunities and access for hunters along the Milk River in North-central Montana have decreased in recent years.

A public scoping process for the project was held from May 26th through June 25th to gather public input on issues, potential impacts, and reasonable alternatives in the EA. Subsequently, a 30-day comment period on the draft environmental assessment was then held from August 18th through September 16th. During this comment period, 38 public comments were submitted. 28 supported and 9 were opposed.

The Fish and Wildlife Commission final decision is pending at this time. The proposal will be presented to the Fish and Wildlife Commission at the November 17th commission meeting.

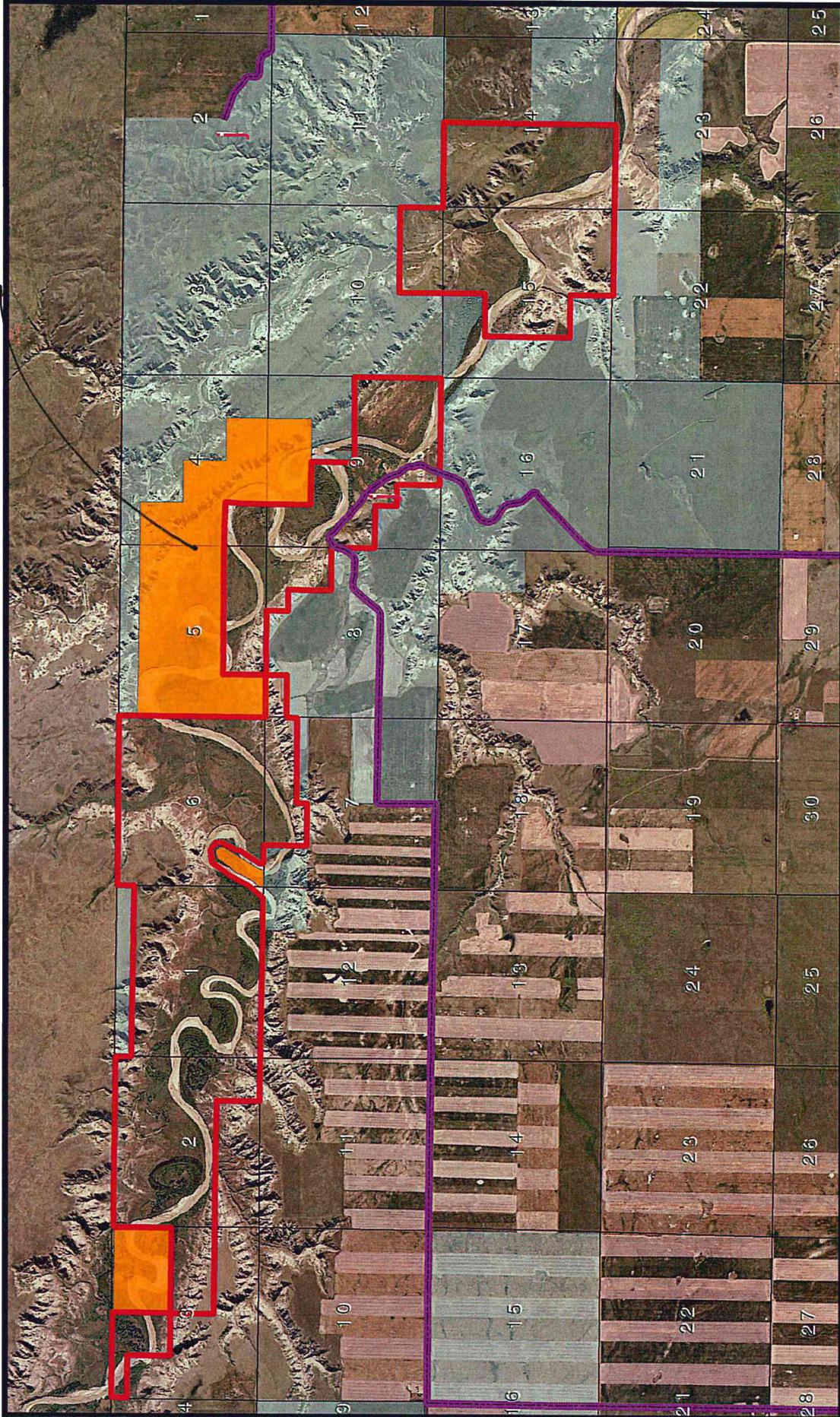
FWP Recommendation

FWP recommends approval by the Land Board to proceed with the purchase of the 640 acre addition to the Lost River Wildlife Management Area.



Lost River Wildlife Management Area

15528-4 7-20-15



2

1116-2



1 Airport Road
Glasgow, MT 59230
October 18, 2016

Dear Interested Party:

Earlier you received information related to the Draft Environmental Assessment (EA) of the Lost River Wildlife Management Area Addition. The proposed action in this EA was for the acquisition of 640 acres of property along the Milk River, approximately 45 miles northwest of Havre, adjacent to the Lost River Wildlife Management Area. This acquisition would conserve and protect the native habitats present on this property and improve access to surrounding public land while also increasing recreational opportunities.

A public scoping process for the project was held from May 26th through June 25th to gather public input on issues, potential impacts, and reasonable alternatives in the EA. Subsequently, a 30-day comment period on the draft environmental assessment was then held from August 18th through September 16th. During this comment period, 38 public comments were submitted. After reviewing these comments, there were no significant impacts to the human and physical environment identified. A summary of these comments is included in this Decision Notice. The previous copy of the EA along with the Decision Notice will act as the Final Environmental Assessment. The Final EA is available on the FWP website at fwp.mt.gov/publicNotices or upon request by contacting the Havre Area Office at 265-6177.

It is my recommendation to proceed with the proposed fee-title acquisition of the Lost River Wildlife Management Area Addition. This Fish and Wildlife Commission will be asked to approve this purchase at the November 17th meeting in Helena. The public will be afforded an opportunity to listen to the meeting and provide public comments at the MFWP Headquarters in Helena or at one of the Regional Offices. If you have any further questions regarding this proposal or opportunities for public comment, please contact Scott Hemmer at the Havre Area office at 406-265-6177 or shemmer@mt.gov.

Thank you for your interest in this project.

Sincerely,

A handwritten signature in cursive script that reads "Mark Sullivan".

Mark Sullivan
Region 6 Supervisor
Montana Fish, Wildlife & Parks

Decision Notice

Lost River Wildlife Management Area Addition
 Montana Fish, Wildlife & Parks
 Region 6
 1 Airport Rd
 Glasgow, MT 59230
 October 18, 2016

DESCRIPTION OF PROPOSED ACTION

Montana Fish, Wildlife & Parks (MFWP) is proposing the fee-title purchase of 640 acres of property from Trevor Wolery. The property is located adjacent to the Lost River Wildlife Management Area (WMA) along the Milk River near the US-Canadian border approximately 45 miles northwest of Havre. The appraised value of the property is \$700,000. The property would be included and managed as part of the Lost River WMA.

The primary purpose of the proposed action is to conserve and enhance native vegetation communities that provide habitat for a variety of wildlife species. The action would also help maintain connectivity between habitats and wildlife populations along the Milk River. The acquisition would improve public access to the Lost River WMA and surrounding public land and increase public recreational opportunities.

MONTANA ENVIRONMENTAL POLICY ACT (MEPA) PROCESS AND COMMENT

Montana Fish, Wildlife & Parks is required under MEPA to assess the potential impacts of a proposed action on the human and physical environment. Pursuant to MCA §87-1-218 a 30-day comment period was held prior to the MEPA evaluation to solicit public comment and input on potential impacts and alternatives. This scoping period began May 26th and ended on June 25th, 2016. Subsequent to this scoping process, a Draft Environmental Assessment (EA) was released for public review on August 18th and accepted public comment through September 16th.

Public notice of the proposed action and availability of the Draft EA were published in the Great Falls Tribune and Havre Daily News. During the 30-day comment period, the EA was available for public review on the MFWP website and at Region 6 offices. A statewide news release was issued and news articles regarding the proposal appeared in the Billings Gazette, Great Falls Tribune, and Havre Daily News. Notifications of the availability of the EA and the opportunity to comment were mailed to neighboring landowners and interested parties. A public informational meeting was held at the Hill County Electric Hospitality room in Havre on September 8th, with 29 people in attendance.

SUMMARY OF PUBLIC COMMENT

Montana Fish, Wildlife & Parks received a total of 38 public comments. Thirty-three of the comments were from individuals and 5 were from other groups or organizations. The comments were classified as 28 comments supporting the proposed acquisition, nine comments in opposition, and one neutral. Comments supporting the proposal most commonly cited the following factors as reasons for their support:

- The location of the property in the middle of the Lost River WMA and other public land
- Protects native habitats
- Benefits wildlife species
- Improves public access to adjacent public land
- Increases public recreational opportunities
- Maintains habitat corridors and connectivity of wildlife populations
- Protects important historic and cultural resources
- Maintains the aesthetic value of the area
- Increased recreation will provide an economic benefit to the local community

Those comments opposing the proposal cited the following factors as the reasons for their opposition:

- Removes land from tax base
- Benefits only a limited number of people
- Funding could be better spent on other programs
- There is already too much land in federal or state ownership
- Concerned that MFWP does not have adequate resources to manage existing properties
- Concerns regarding accuracy of the appraised value
- Concerns regarding the source of funding for the purchase
- MFWP should have a no net gain policy for land acquisitions

MFWP RESPONSES TO PUBLIC COMMENTS

Issue #1: The proposed action would remove land from production and affect the local tax base

MFWP Response: MFWP ownership would not affect current tax revenues paid to Hill County on this property. As stated in the EA on page 12, MFWP would pay to Hill County a sum equal to the amount of taxes which would be payable were it owned by a private citizen. Therefore, this acquisition would not impact current county property tax revenue. MFWP ownership of the property would preclude wind development, mineral development, agricultural conversion or development of the property for subdivision as was addressed in the EA on page 11. Due to the small size of this parcel and lower potential for these developments, the impact to the local tax base was determined to not be significant. Continued livestock grazing management on the property would be evaluated, but one possible outcome would be a reduction or loss of grazing on this parcel. Purchase

of this parcel could result in increased public recreation and result in added tourism related spending in the local economy.

Issue #2: Purchase of this property would create a wilderness area that would only benefit a small segment of the public

MFWP Response: This property would not be managed as a wilderness area. It would be included as part of the Lost River Wildlife Management Area. MFWP wildlife management areas are managed with the objective of maintaining wildlife habitat and providing public recreational opportunities, but do not have the restrictions of a federally designated wilderness area. The wildlife management area would be open for use by all members of the public. The location of the Milk River, the surrounding topography, and lack of passable public roads in this area does limit road access to this parcel.

Issue #3: The funding for this project would be better spent in other areas (landowner cooperation, elk management, weed control).

MFWP Response: Under MCA §87-1-242, funding for the Habitat Montana program is specified that it must be used exclusively by the Department to secure, develop, and maintain wildlife habitat. This funding can be used for wildlife habitat projects on private lands and has regularly been used for conservation easements with interested landowners. In this case, the landowner was not interested in an easement and therefore this option was not an option evaluated in the EA. Currently, a minimum of 20% of the money from Habitat Montana funding is allocated for habitat maintenance which does include weed management on WMAs. MFWP realizes the importance of cooperation with private landowners in Montana for effective wildlife management. MFWP is interested in opportunities to expand existing or creating new programs promoting cooperation with landowners.

Issue #4: MFWP should not use taxpayer dollars to fund this purchase

MFWP Response: No Montana general fund tax dollars will be spent on this purchase. This purchase will be funded with money generated from hunting license sales designated for securing wildlife habitat by Habitat Montana HB 526. The Habitat Montana funds will be used as a match for federal dollars generated by the Federal Aid in Wildlife Restoration Act (Pittman-Robertson) funding. The Pittman-Robertson funds are generated through an excise tax on the sales of firearms and ammunition used for hunting. The funds are distributed to the states for wildlife management, habitat restoration, and education.

Issue #5: Concerns that MFWP does not have adequate funding or resources to adequately maintain any additional properties.

MFWP Response: The location of this property adjacent to the existing WMA will greatly reduce any additional funding or departmental resources required to effectively manage this property. There will be additional funding needed for weed management and trail/road maintenance. Depending on future grazing management on the property, there could be additional funding necessary for fencing

or water development. The acquisition of this property will reduce departmental costs for signing boundaries and may reduce overall costs for maintaining fencing.

Issue #6: The price MFWP is paying for this property is too high

MFWP Response: The appraisal of the property was conducted by independent certified real estate appraiser not affiliated with the landowner or MFWP. The appraisal was based on comparable sales and comparable income and lease data. The appraisal must be completed in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), as adopted by reference by the State Board of Real Estate Appraisers in ARM 24.207.402.

Issue #7: The price MFWP is paying for this property too low, when compared to previous purchase of the Lost River WMA

MFWP Response: See response to Issue #6

Issue #8: The removal of this land from agricultural production will reduce food production and result in more hungry people in the United States.

MFWP Response: This issue is outside the scope of the EA

Issue #9: Utilization of PR dollars on this project will contribute to the national debt.

MFWP Response: This issue is outside the scope of the EA

Issue #10: Concern that there is not adequate time for public involvement in this process

MFWP Response: MFWP provided opportunities for public comment during the 30-day scoping period starting May 26, 2016, which was followed by a 30-day comment period on the draft environmental assessment starting in August 18, 2016. There was also a public informational meeting held in Havre during this comment period on September 8th. There will be additional opportunities for future public comment when this proposal goes before the Fish and Wildlife Commission and the State Land Board.

Issue#11: Concerns over the lack of public notification regarding recent hunting and fishing license fee increases.

MFWP Response: This issue is outside the scope of the EA

Issue #12: Oppose any increase in federal or state land ownership and/or recommend no net gain in land ownership by MFWP.

MFWP Response: Federal land ownership is outside the scope of this EA. Within the scope of MFWP land ownership, MFWP does pursue conservation easements when feasible to conserve wildlife resources values and access on private lands without the need for a fee-title purchase. If MFWP was unable to purchase property or was required to have no net-gain in land ownership it would limit the

department's ability to conserve wildlife habitat and increase public recreational opportunities when conservation easement or leases are not a viable alternative.

Issue #13: The EA suggests Russian olive is part of the native habitat. It is not a native species and can become a monoculture over time.

MFWP Response: The commenter is correct that Russian olive is not a native species in North America. It is an introduced species that has proliferated and become an abundant woody species in the native floodplain habitats on this property. Russian olive is classified as regulated plant in Montana and MFWP does not plan to manage this property for or promote the spread of Russian olive.

DECISION NOTICE

Montana Fish, Wildlife and Parks' evaluation supports proceeding with the proposed acquisition. The addition of these 640 acres will help conserve and enhance native riparian and grassland communities that provide habitat for a variety of game and nongame species. It would also improve public access to surrounding public land and increase recreational opportunities on the property.

Based on the Environmental Assessment and evaluation of public comment I have determined that the proposed action will not have significant effects on the human and physical environment. Therefore, an environmental assessment (EA) is the appropriate level of analysis for this project.

After review of this proposal and the public comments submitted, it is my decision to accept the Environmental Assessment and Decision Notice as final and to recommend MFWP proceed with the acquisition process of this property for eventual addition to the Lost River Wildlife Management Area. This decision is made subject to the approval of the Montana Fish and Wildlife Commission and the Montana Board of Land Commissioners.

The Final EA will be available for public viewing on the Montana Fish, Wildlife, and Parks website at: <http://fwp.mt.gov/news/publicNotices>. Copies of the EA may also be obtained by contacting the Fish, Wildlife, and Parks Havre Area Office, 2165 Hwy 2 East, Havre, MT 59501 (406-265-6177).

Mark D Sullivan

10/18/2016

Mark Sullivan, Region 6 Supervisor

Date

1116-3

TIMBER SALES

- A. LaMoose Springs
- B. Alkali Coulee Limited Access
- C. Short Skid

**Land Board Agenda Item
November 21, 2016**

1116-3A Timber Sale: LaMoose Springs

**Location: Lake County
Section 16, T17N, R19W**

Trust Benefits: Common Schools

Trust Revenue: \$ 534,644 (estimated, minimum bid)

Item Summary

The LaMoose Springs Timber Sale is located approximately 7 miles southeast of St. Ignatius, MT. The sale includes 6 harvest units (632 acres) of tractor and skyline logging. The estimated harvest volume is 39,341 tons (6.26 MMBF) of sawlogs. The minimum bid is \$13.59 per ton, which would generate approximately \$534,644 for the Common School Trust and approximately \$182,542 in Forest Improvement fees. The sale area is within the Habitat Conservation Plan (HCP) project area and complies with the commitments outlined in the HCP.

This sale has a harvest prescription of seed tree, shelterwood, and old growth maintenance treatments. The current species mix over the 6 harvest units includes Douglas-fir, mixed conifer, and western larch. Harvest prescriptions would favor removal of shade tolerant trees and retention of seral species. Douglas-fir would also be retained to help achieve desired stocking levels, but western larch and ponderosa pine would be favored over Douglas-fir. The reduction in Douglas-fir would increase the proportion of other species in the overstory, resulting in a change in composition towards the desired future condition. The seed tree treatment would improve overall health and vigor of stands by removing diseased and insect infested trees. The sale area contains 39 acres of mixed conifer old growth. The old growth maintenance treatment would remove diseased and insect infested trees, suppressed trees, and trees of low vigor. This would allow the stands to retain old growth attributes while improving health and vigor, and create small openings to promote the establishment of western larch, a seral species. The stand would still retain old growth status post-harvest.

DNRC is proposing 2.7 miles of new permanent road construction, 1 mile of reconstruction, and 15.7 miles of maintenance. Newly constructed roads would be closed to motorized public access after timber harvest activities are completed.

Access is obtained via a road use permit from the Confederated Salish and Kootenai Tribes.

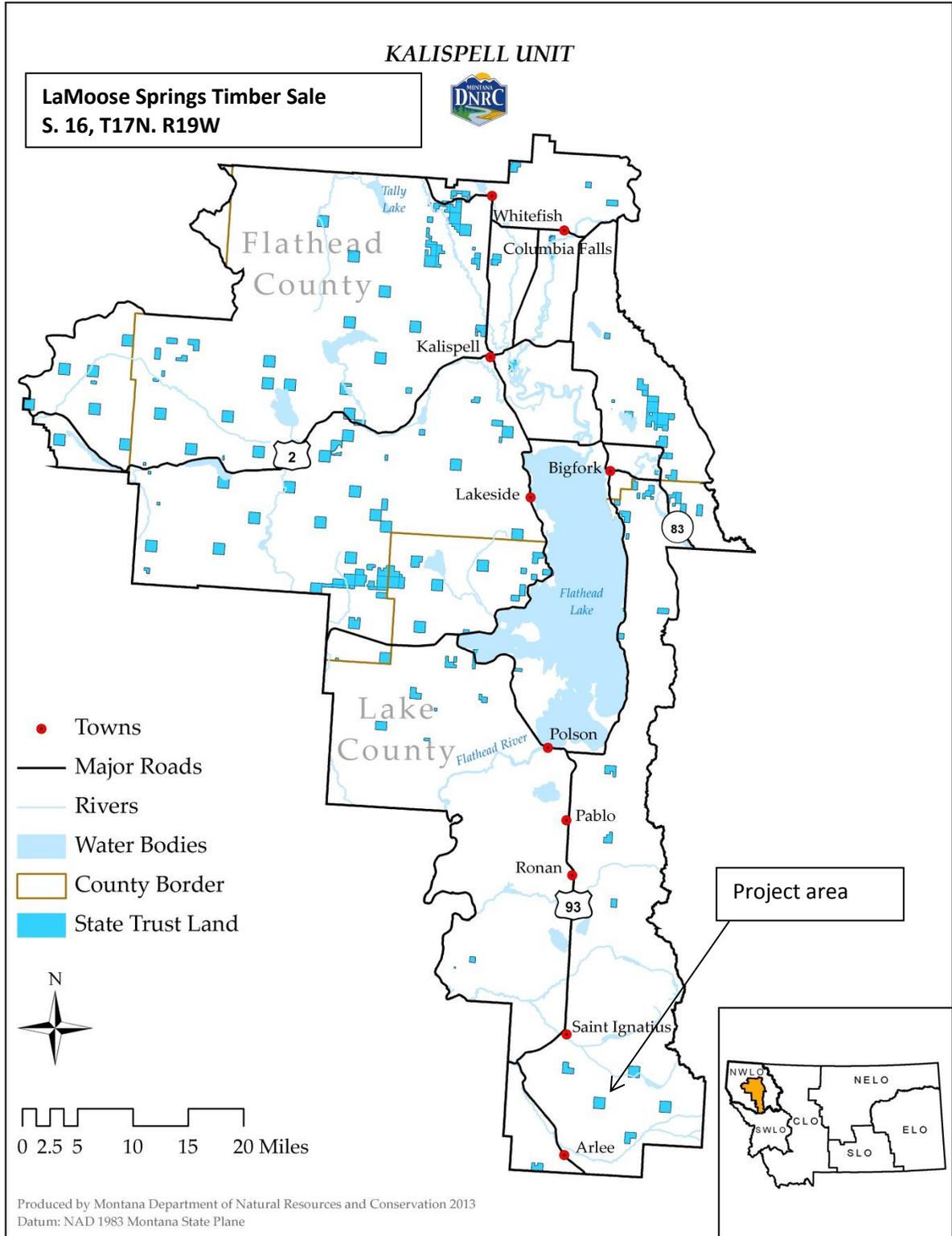
The initial scoping notice was mailed on September 15, 2015. The scoping notice was sent to the individuals and groups listed on the statewide scoping list as well as all neighboring landowners and agencies. DNRC received five comments. These comments contained concerns regarding road maintenance on open roads, road dust created from logging traffic, fuels reduction, and harvest clean-up. Mitigations to address these concerns are as follows:

- Logging Traffic and Clean-Up:
 - Log hauling will typically take place during the general "work week".
 - Signs will be posted making the public aware of log hauling traffic in the area.
 - If necessary, a slower speed limit may be imposed in the timber harvest contract.
 - Harvesting operations would be short in duration.

- Contract clauses would provide for the use of dust abatement or require trucks to reduce speed if necessary to reduce dust near any affected residences.
- All slash piles will be burned.
- All logging debris will be cleaned up to the extent practical.
- Fire Danger: Widening the spacing of the leave trees, removing the dead and dying timber, proposed prescribed burning, and treatment of logging slash will reduce the fire danger in the area.

DNRC Recommendation

The Director recommends the Land Board direct DNRC to sell the LaMoose Springs Timber Sale.

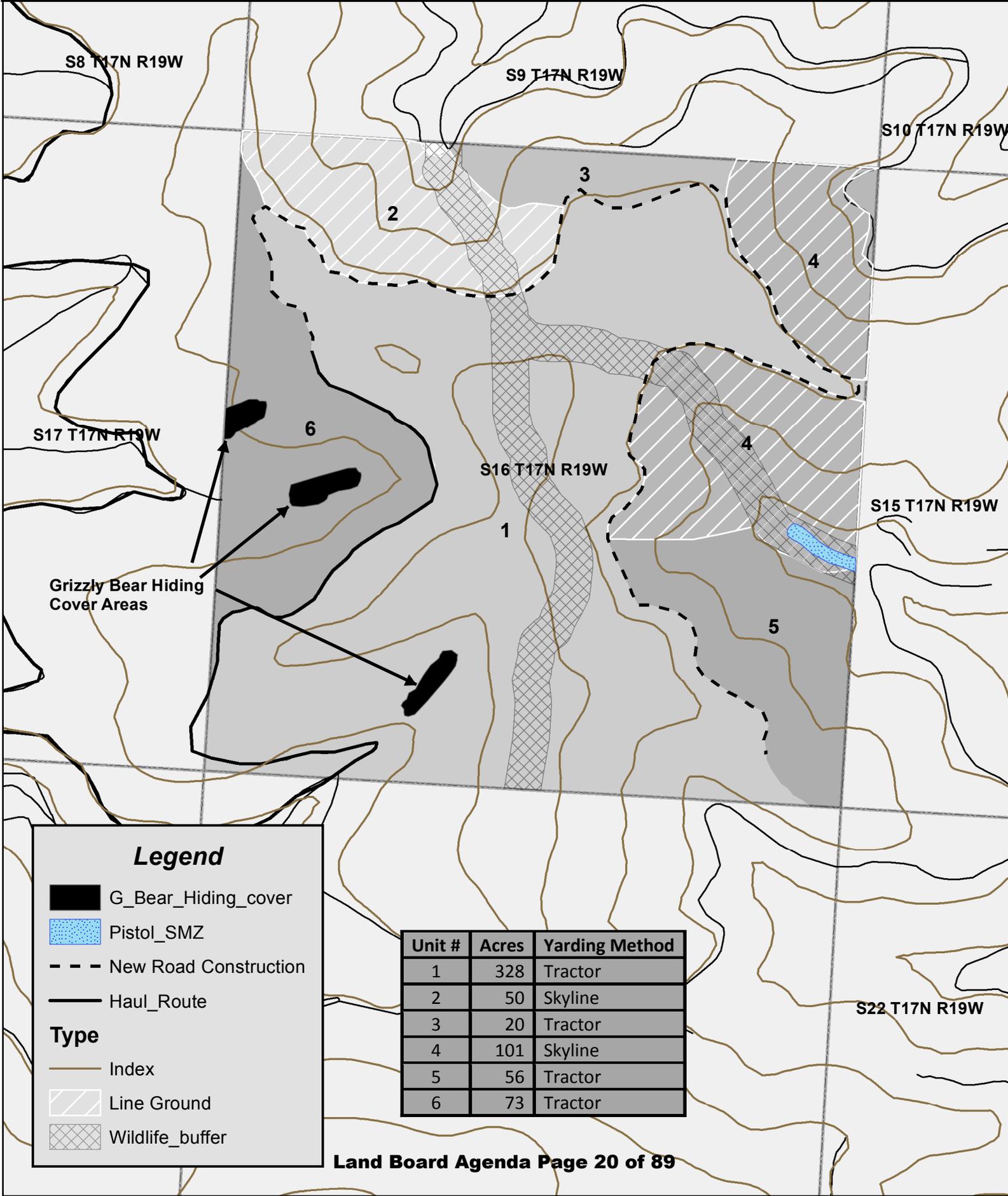


LaMoose Springs Timber Sale Harvest Map



Attachment A

1116-3A



S8 T17N R19W
S9 T17N R19W
S10 T17N R19W
S17 T17N R19W
S16 T17N R19W
S15 T17N R19W
S22 T17N R19W

Grizzly Bear Hiding Cover Areas

Legend

- G_Bear_Hiding_cover
- Pistol_SMZ
- New Road Construction
- Haul_Route

Type

- Index
- Line Ground
- Wildlife_buffer

Unit #	Acres	Yarding Method
1	328	Tractor
2	50	Skyline
3	20	Tractor
4	101	Skyline
5	56	Tractor
6	73	Tractor

LaMoose Springs Timber Sale Haul Route Map

Attachment A

1116-3A



Legend

- Haul_Route
- New Road Construction

Ownership - General Ownership

- MT DNRC
- Tribal

**Land Board Agenda Item
November 21, 2016**

1116-3B Timber Sale: Alkali Coulee Limited Access

**Location: Fergus County
Section 36, T18N, R16E**

Trust Beneficiaries: Common Schools

Trust Revenue: \$16,800 (Negotiated Rate for Limited Access Sale)

Item Summary

The Alkali Coulee Limited Access Timber Sale is located approximately 17 miles northwest of Lewistown, MT. The sale includes 2 harvest units (160 acres) of tractor logging. The estimated harvest volume is 2,800 tons (400 MBF) of sawlogs and an optional harvest of 2,100 tons of pulp. The negotiated sawlog rate is \$6.00 per ton and \$0.50 per ton for pulp, which would generate \$16,800 for the Common Schools Trust, \$812 in Forest Improvement fees, and an additional \$1,050 for the optional pulp. The sale is not within the Habitat Conservation Plan (HCP).

This sale has a harvest prescription of selection harvest. The stands consist entirely of ponderosa pine trees. The best quality trees will be left at 30-40 foot spacing which will aid in improving forest health and controlling insect infestation. This treatment will favor leaving dominant and co-dominant ponderosa pine. Old growth is not present in any of the stands to be harvested.

DNRC is proposing 2.7 miles of new permanent road construction. DNRC is also proposing 1.5 miles of road maintenance. All roads will continue to be closed to motorized public access upon completion of the sale.

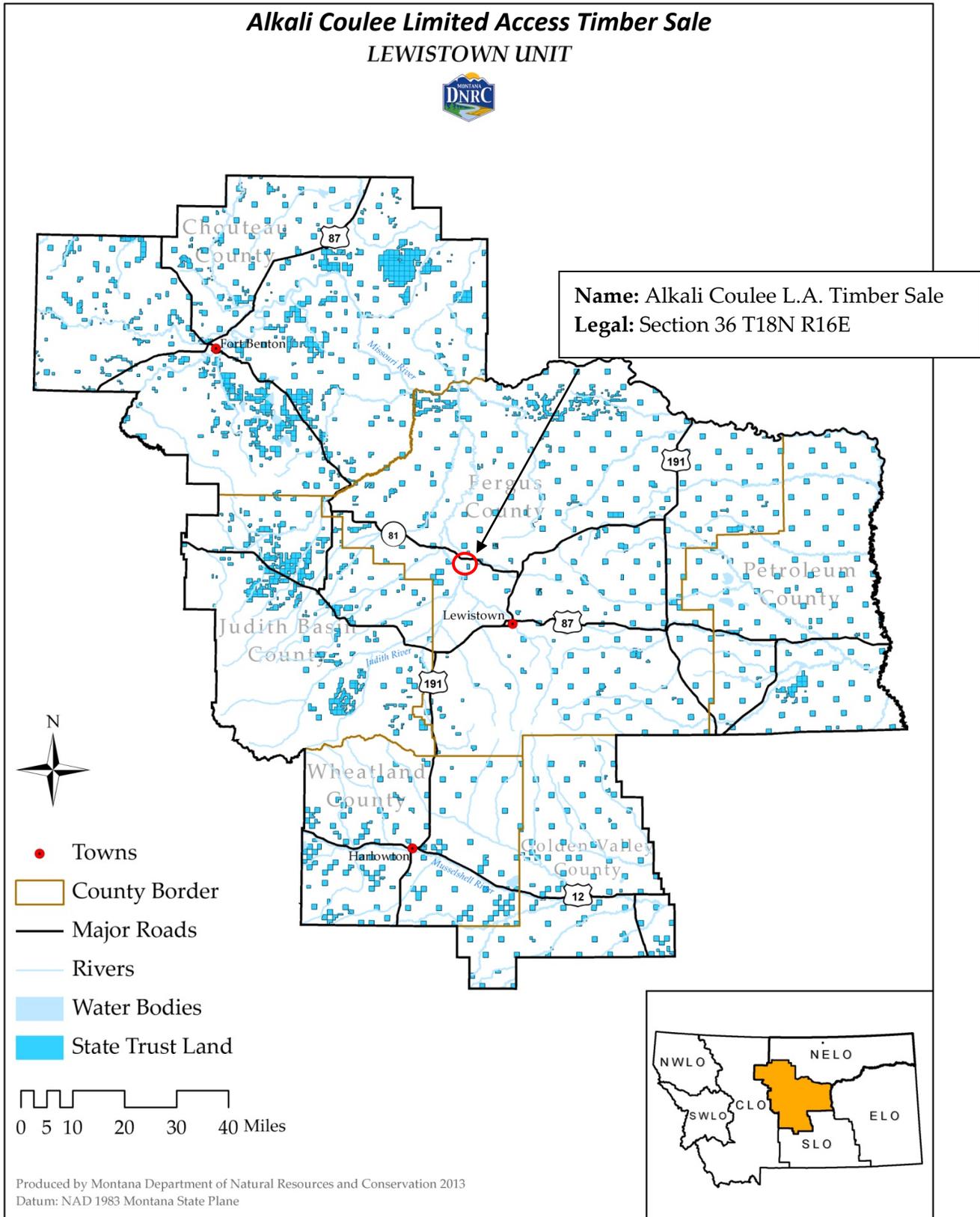
The proponent has obtained temporary access from two private landowners who control existing access roads to this isolated state parcel.

Scoping letters were mailed to adjacent landowners and interested parties on August 23rd, 2016. The notice was also posted on the DNRC website and placed in the *Lewistown News-Argus*. Two comments were received. One concern was expressed about the risk of sediment and erosion being discharged into Alkali Creek. The Streamside Management Zone Law and Best Management Practices for Forestry are in place to mitigate the effects of sediment deposits and erosion.

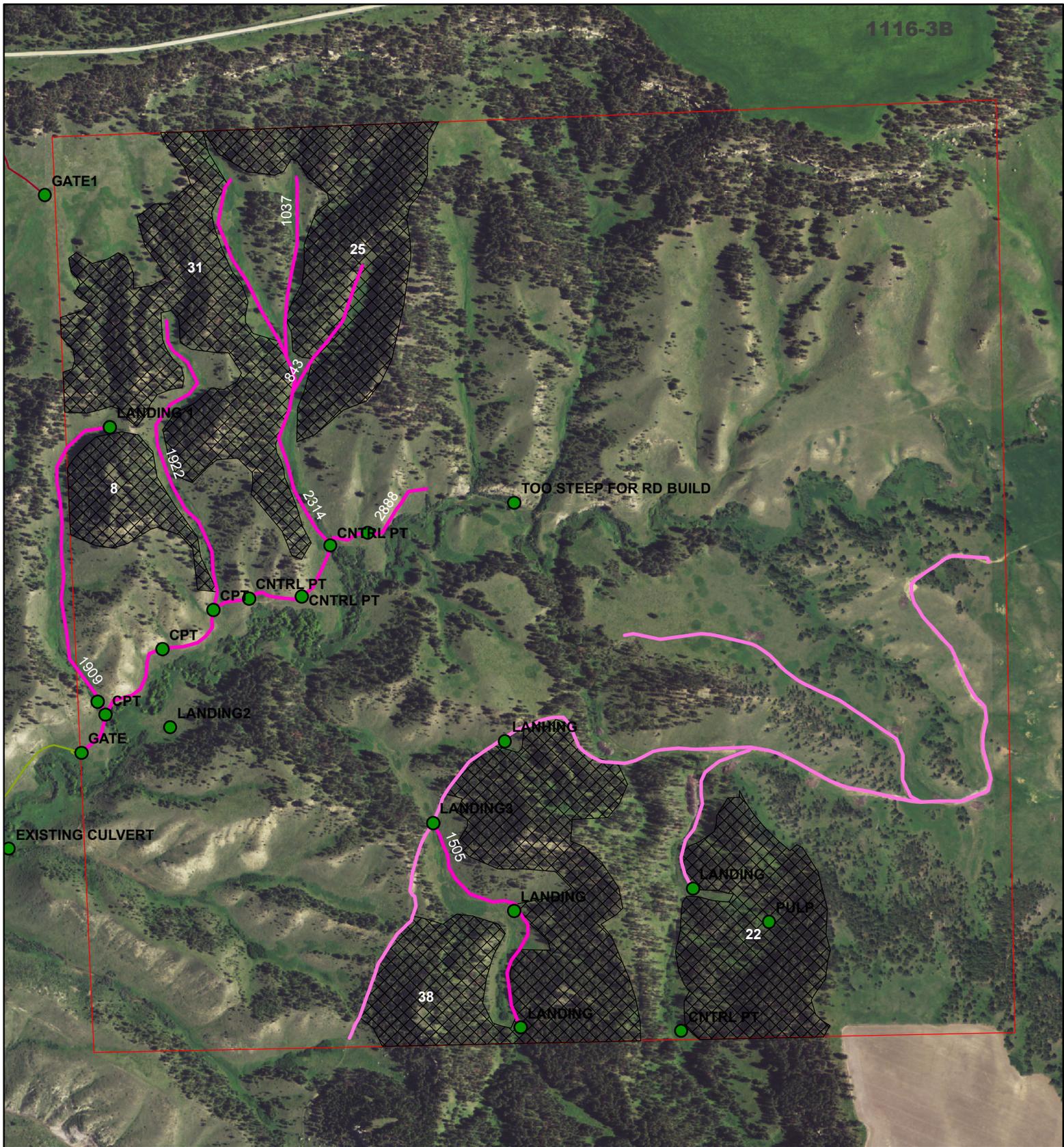
DNRC Recommendation

The Director recommends the Land Board direct DNRC to sell the Alkali Coulee Limited Access Timber Sale.

Alkali Coulee Limited Access Timber Sale LEWISTOWN UNIT



Produced by Montana Department of Natural Resources and Conservation 2013
Datum: NAD 1983 Montana State Plane



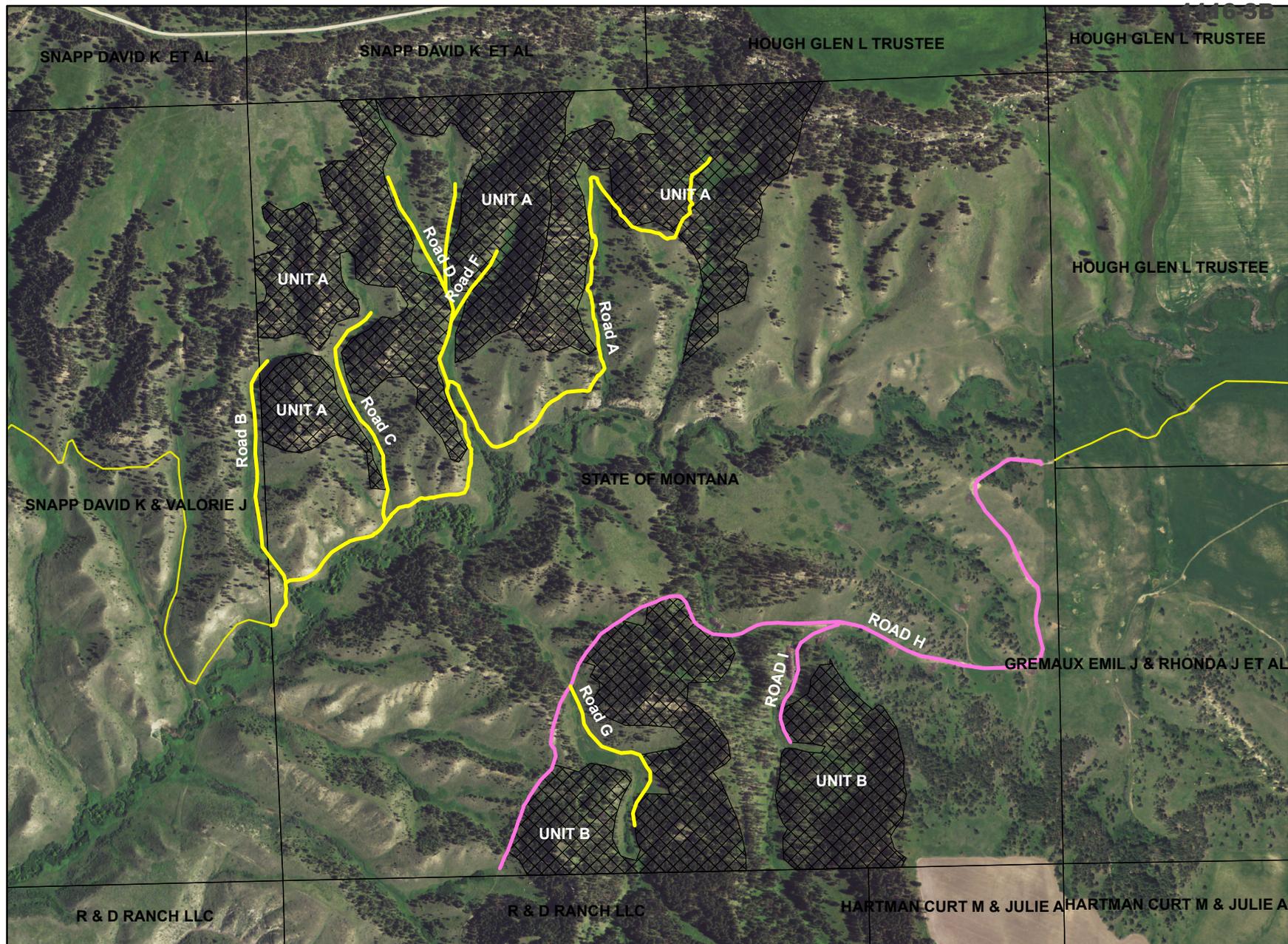
1116-3B

Legend

- AlkaliCouleeWYPTS
- AlkaliCoulee New Road
- AlkaliCouleeExtRds
- AlkaliCouleeUnits
- AlkaliCoulee BNDY

Alkali Coulee
 Northeastern Land Office
 Sec.36 T18N R16E





Legend

-  Road final
-  Glen Hugh Access
-  AlkolaiCouleeExtRds
-  SnappAccess2
-  AlkolaiCouleeUnits

Alkali Coulee LATS

T18N R16E Sect 36

MTDNRC Northeastern Land Office

Land Board Agenda Page 25 of 89



**Land Board Agenda Item
November 21, 2016**

1116-3C Timber Sale: Short Skid

**Location: Broadwater County
Section 16, T7N, R5E**

Trust Beneficiaries: Common Schools

Trust Revenue: \$58,479 (estimated, minimum bid)

Item Summary

The Short Skid Timber Sale is located approximately 14 miles east of Townsend, MT. The sale includes 8 harvest units (119 acres) of tractor logging. The estimated harvest volume is 3,639 tons (453 MBF) of sawlogs. The minimum bid is \$16.07 per ton, which would generate approximately \$58,479 for the Common Schools Trust and approximately \$3,930 in Forest Improvement fees. The sale is not within the Habitat Conservation Plan (HCP) project area.

This sale has a harvest prescription of seed tree harvest. The treatment will encourage regeneration of Douglas-fir seedlings. The stands consist entirely of Douglas-fir trees. The area is currently being impacted by western spruce budworm and Douglas-fir beetle, resulting in reduced growth rates, suppressed regeneration, and increased mortality among mature trees. In the harvest areas, inferior trees would be removed to promote better stand genetics. Old growth is not present in any of the stands to be harvested.

DNRC is proposing 0.3 miles of new permanent road construction, 0.2 miles of temporary road construction, and 4 miles of road maintenance. All roads on state trust land will continue to be closed to motorized public access upon completion of the sale.

Access has been obtained to this timber sale via a Temporary Road Use Permit from the U.S. Forest Service.

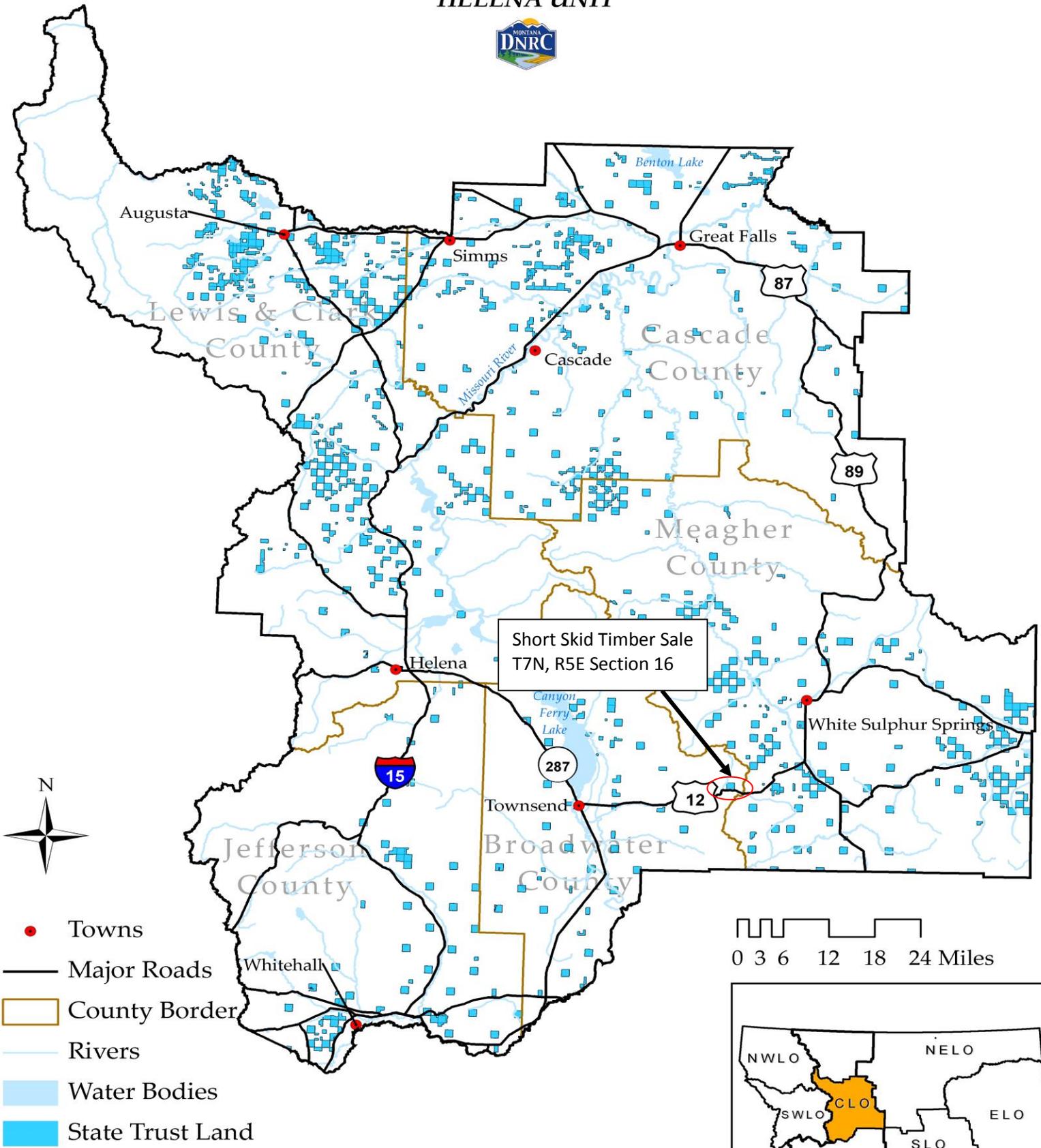
Scoping letters were sent to a comprehensive list of interested parties including individuals, private organizations, tribal nations, and agency representatives on July 26, 2016. The notice was also posted on the DNRC website and published in the Helena *Independent Record* and the *Broadwater Reporter*. There was one comment received. The Confederated Salish and Kootenai Tribes wrote a letter stating they approved of the project.

DNRC Recommendation

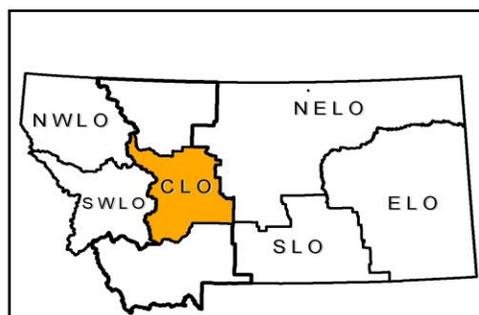
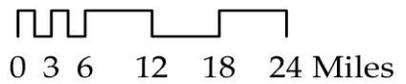
The Director recommends the Land Board direct DNRC to sell the Short Skid Timber Sale.

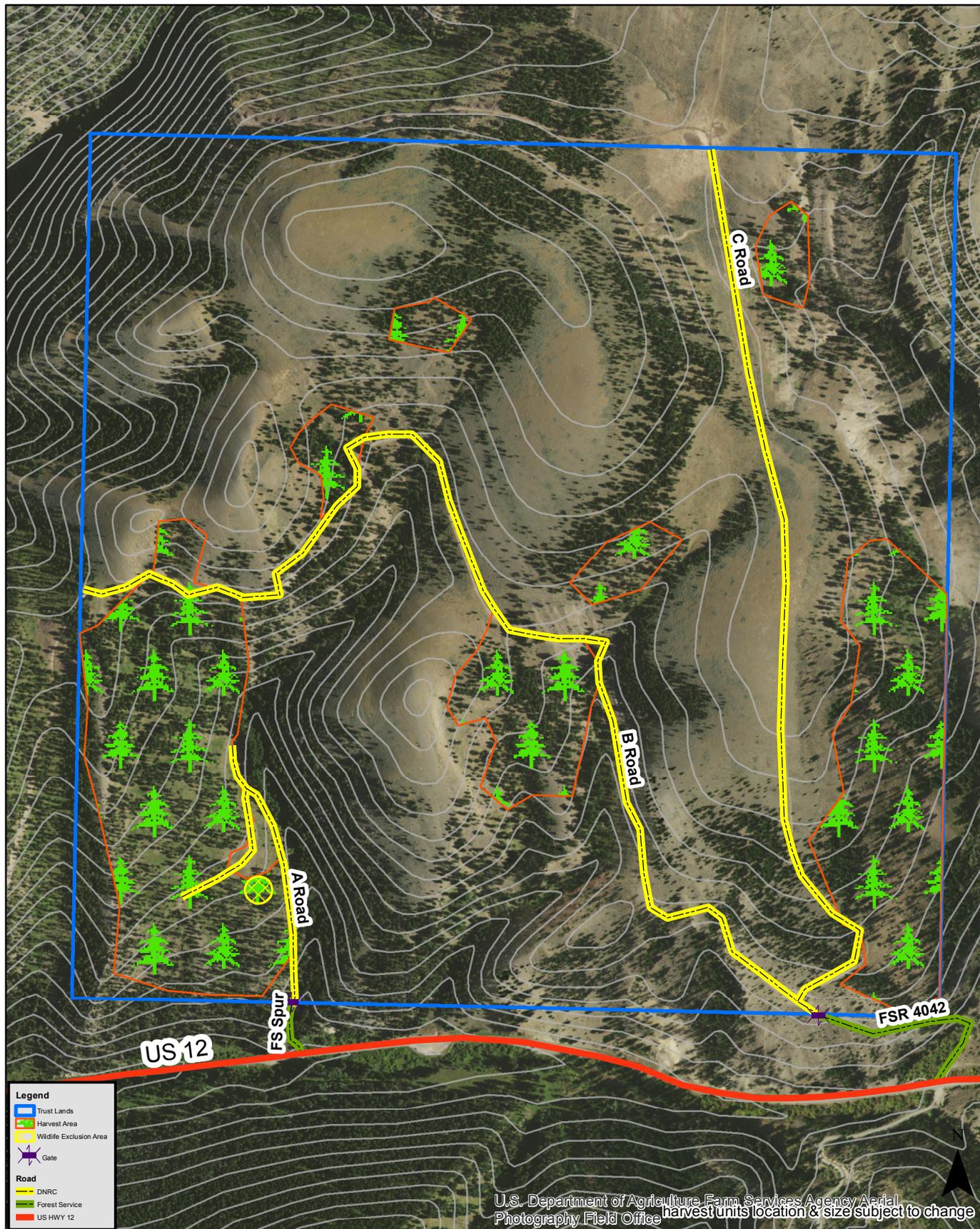
VICINITY MAP

HELENA UNIT



- Towns
- Major Roads
- County Border
- Rivers
- Water Bodies
- State Trust Land





0 0.125 0.25 0.5 Miles

1116-4

LAND BANKING PARCEL

Set Minimum Bid for Sale:

Yellowstone County

**Land Board Agenda Item
November 21, 2016**

1116-4 Land Banking Parcel: Set Minimum Bid for Sale

Location: Yellowstone County

Trust Benefits: Common Schools

Trust Revenue: \$955,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) is requesting to set the minimum bid to sell residential lots within Skyview Ridge Subdivision First Filing, nominated for sale in Yellowstone County. The sale was nominated by the DNRC – Southern Land Office and is located within the City of Billings.

Sale #	# of Acres	Legal	Nominator	Trust
387	38.48	Lots 5-9 Block 1, Blocks 3 through 8, in Skyview Ridge Subdivision, Section 20, T1N-R26E	DNRC – Southern Land Office	Common Schools

The parcel is currently used primarily for livestock grazing purposes. The parcel is surrounded by residential and commercial development and the highest and best use of the land is for residential development as subdivided.

The parcel is legally accessible from Wicks Lane and Governor's Boulevard.

No potentially negative issues were identified through the MEPA process regarding the sale of this parcel.

Economic Analysis:

Short term – The average rate of return on the sale parcel is 0.18%. The parcel would continue to receive this return if it remains in state ownership.

Long-term – The funds from the sale of these parcels would be combined with other sale funds to purchase replacement lands through the department's Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 2.64% on acquisitions with income generated from annual lease payments.

Cultural/Paleontological Resources:

The state parcel proposed for sale was inventoried to Class III standards for cultural and paleontological resources. No paleontological resources were identified, but one cultural resource consisting of three low-profile cairns (rock clusters) was tested, formally recorded, evaluated, and determined not to be a Heritage Property. A formal report of findings has been prepared and filed with the Montana State Historic Preservation Office per the requirements of the Montana State Antiquities Act.

Background:

In April 2010, the Board granted preliminary approval for this parcel to continue through the Land Banking sale evaluation process.

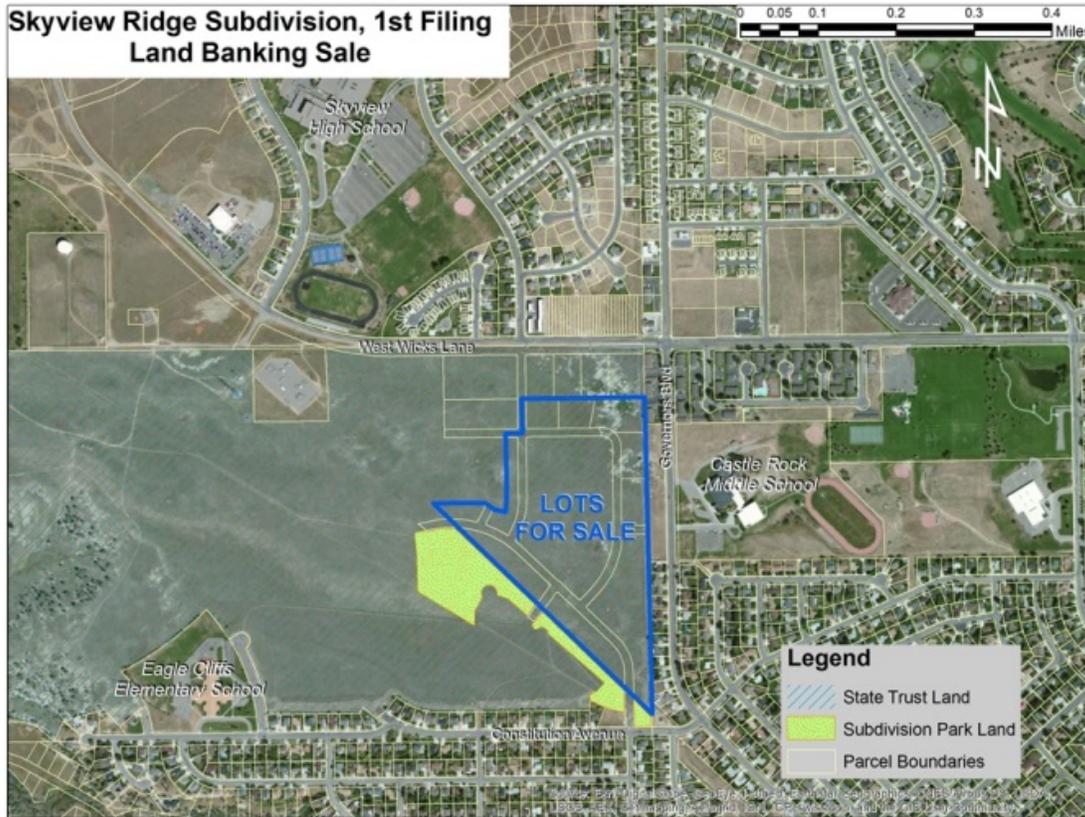
Appraised Value:

Sale #	Appraised Value with Access	Recommended Minimum Bid
387	\$955,000	\$955,000

DNRC Recommendation

The director recommends the Land Board set the minimum bid for the parcel at the amount shown above.

Skyview Ridge Sale Map



1116-5

LAND BANKING ACQUISITION:

Preliminary Approval for Purchase:

Stillwater County

1116-5 Land Banking Acquisition: Preliminary Approval for Purchase

Location: Stillwater County

Trust Benefits: TBD

Trust Revenue: N/A

Item Summary

The Department of Natural Resources and Conservation (DNRC) has identified a potential land acquisition of 2,015.8 acres known as the Lost Creek Farm available for sale in Stillwater County.

Proposed Acquisition:

These acres include approximately 1,945.5 acres of dryland agricultural land and 70.3 acres of dryland grazing. The property is for sale for \$1,333,000.

Selection Considerations:

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

Access: The parcel is accessible from Molt-Rapelje, Cash, and Dannenberg Roads, all county roads. Purchase of this property would also secure additional perpetual administrative and public access to two existing sections of Trust land.

Revenue: The predicted annual rate of return, over a 20 year period is estimated at 3.62%. The dryland agricultural land is typically planted in winter wheat, with a crop/summer fallow rotation. Due to low wheat prices, approximately 140 acres of cropland was recently planted in alfalfa and some additional acreage was removed from wheat to safflower.

Multiple Use: The parcel has a variety of natural resource uses including dryland agricultural and grazing land. The property also offers wildlife habitat, hunting (big game and upland game birds) and other recreational opportunities. The proposed acquisition adjoins two existing parcels of Trust land and the purchase of this property would ensure additional permanent public access those Trust lands.

Location: The property is located approximately five miles northwest of Molt, MT in Stillwater County, along the north side of Molt-Rapelje Road.

Cooperation: DNRC will contact FWP Region 5 & and the Stillwater County Board of County Commissioners to discuss the proposed acquisition prior to the Land Board meeting.

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.

DNRC Recommendation:

The director recommends preliminary approval of the Lost Creek Farm for further consideration for acquisition.

Lost Creek Farm

Stillwater County, Estimated Price: \$1,333,000

Location: 5± miles northwest of Molt, MT in Stillwater County

Acreage: 2,015.8± deeded acres (1,945.5± acres Dryland Crop Land and 70.3± acres Dryland Grazing)

Crop Land: 1,945.5± acres of dryland crop land of which 1,805.5± acres are currently planted mainly in wheat with some of this acreage in safflower. The remaining 140± acres are in alfalfa.

Carrying Capacity: There are 7.39 grazing acres and 312.61 acres of aftermath grazing currently available. The grazing capacity is presently limited by the lack of perimeter fencing around most of the parcels. If they were fenced in the future, the state could get additional aftermath AUMs.

Stockwater: There is not any developed stockwater on the property.

Irrigation: None

Timber: None

Fencing: Section 9 has a perimeter fence around it and Section 7 is partially fenced. The fencing appears to be in good condition.

Improvements: One grain bin on the far northeast corner of Section 21.

County/Taxes: \$4,961 annually

Precipitation: 10-14 inch precipitation zone

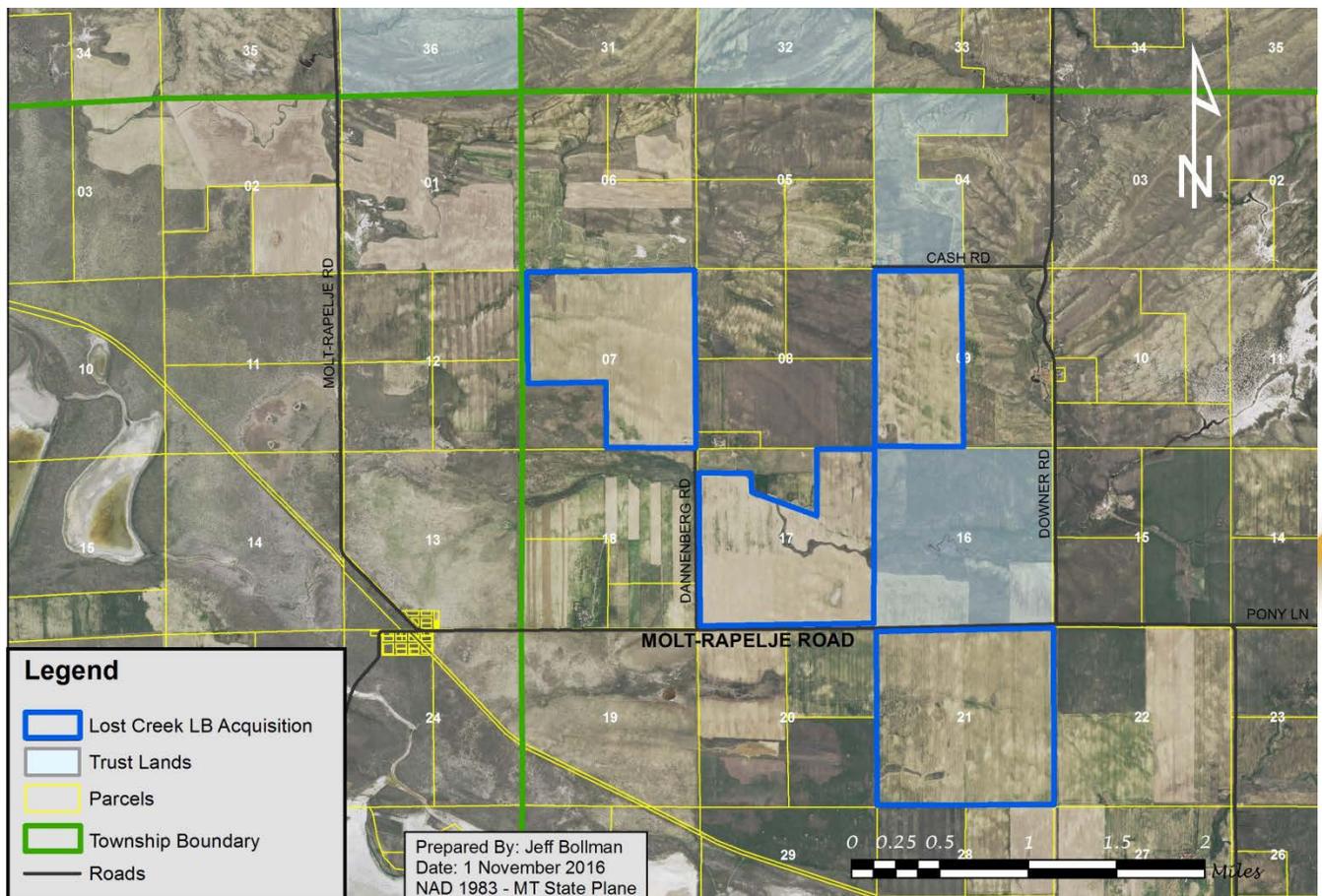


Lost Creek Farm

Comments: The 2,015.8± acre Lost Creek Farm presents an opportunity to purchase four parcels of productive dryland agricultural lands in northeastern Stillwater County. The proposed acquisition adjoins existing State Trust lands (Sections 4 & 16-T2N-R22E). This acquisition would create a large block of 1,821± acres of Trust land which would be accessible at multiple points by three different county roads. The property supports antelope, deer and upland game bird hunting opportunities, as well as hiking and bird watching.

Revenue projections for agriculture and grazing lease estimate annual revenue to the Trust beneficiary of \$48,267. The dryland agricultural land is mainly planted in wheat with a crop/summer fallow rotation with some acreage rotated with safflower. The projected revenue would result in a rate of return of 3.62%. The sellers are not interested in leasing back the land and it is expected that the state would put each parcel out for bid for a new lessee. There are two agricultural lessees on the adjacent Trust land (Section 16) that could be potential bidders, as well as other competitive bidding potential due to the access from Cash, Dannenberg and Molt-Rapelje Roads.

In addition to the high rate of return, the parcels only have one structure, a grain bin on them, as well as some perimeter fencing. This area is a productive dryland agricultural area and would provide some additional income diversity for the Trust beneficiary.



1116-6

SALE OF CABIN AND HOME SITE:

Set Minimum Bid for Sale – Sale 764:

Flathead County

1116-6 Sale of Cabin and Home Site: Set Minimum Bid for Sale – Sale 764

Location: Flathead County

Trust Benefits: Montana Tech

Trust Revenue: \$ 230,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) is requesting to set the minimum bid on one cabin site nominated for sale located on Beaver Lake in Flathead County. This sale was nominated by DNRC in conjunction with the Cabin and Home site Sale Program. This lot is located approximately 4.5 miles northwest of Whitefish, Montana.

Sale #	# of Acres	Legal	Nominator	Trust
764	2.238	Lot 5, Beaver Lake, Section 20, T31N-R22W	DNRC	Montana Tech

Lot 5 is not currently leased and does not produce any income for the trust beneficiary.

The parcel will be sold with the access that is currently provided under the lease agreement and can be conveyed by DNRC.

Economic Analysis:

Short term – The average rate of return on sale parcel 764 is 0%. The sale parcel would continue to receive this return if it remains in state ownership.

Long term – The funds from the sale of this parcel would be combined with other sale funds to purchase replacement lands through the department’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 2.64% on acquisitions with income generated from annual lease payments.

Cultural/Paleontological Resources:

A Class I level of cultural resource inventory was conducted for the proposed sale. Home sites typically contain numerous structures and the ground surfaces within most home sites have been variously disturbed over the course of many years of occupation and development. This sale will have no effect to state owned heritage properties.

Appraised Values of Land and Improvements:

Sale #	Appraised Value of Land	Appraised Value of Improvements
764	\$230,000	\$0

DNRC Recommendation

The director recommends that the Land Board set the minimum bid for the cabin site lot ~~at the~~ appraised value and the maximum values of compensation for the improvements shown above.

Flathead County Sale Location Map



Sale #764

Lots 5, Beaver Lake, Section 20, T31N-R22W



1116-7

EASEMENTS:

A. Easements

B. Ogilvie Easement Exchange

C. Clearwater Junction Reciprocal Access

**Land Board Agenda Item
November 21, 2016**

1116-7 Easements

**Location: Cascade, Custer, Daniels, Fergus, Gallatin, Lincoln, Madison, Mineral,
Missoula, Ravalli Counties**

Trust Benefits: Common Schools, Public Lands

**Trust Revenue: Common Schools=\$6293
Public Lands=\$5452**

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17221
 R/W Purpose: a 161kV overhead electric transmission line
 Lessee Agreement: N/A (Historic)
 Acreage: 0.26
 Compensation: \$130.00
 Legal Description: 80-foot strip through SW4SW4, Sec. 4, Twp. 11N, Rge. 16W,
 Missoula County
 Trust Beneficiary: Common Schools

Item Summary

Northwestern Energy has made application for multiple overhead electric distribution and transmission lines and natural gas pipelines that were constructed on state lands many years ago without proper authorization from the Land Board. Pursuant to §77-1-130, MCA Northwestern Energy is requesting recognition of these overhead electric distribution and transmission lines and natural gas pipelines as historic rights of ways.

DNRC Recommendation

The director recommends approval of this historic right of way for Northwestern Energy.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17232
 R/W Purpose: a buried 8" natural gas transmission line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.09
 Compensation: \$475.00
 Legal Description: 30-foot strip through NE4SW4, Sec. 27, Twp. 13N, Rge. 18W, Missoula County

Trust Beneficiary: Public Land

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17321
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork
 River

Lessee Agreement: N/A (Historic)
 Acreage: 0.13
 Compensation: \$195.00
 Legal Description: 10-foot strip through S2SW4, Sec. 17, Twp. 18N, Rge. 27W,
 Mineral County
 Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Department of Transportation
 PO Box 201001
 Helena MT 59620

Application No.: 17325
 R/W Purpose: highway bridge construction and maintenance, including
 occupancy by public utilities as described in §69-4-101, MCA

Lessee Agreement: ok
 Acreage: 2.58
 Compensation: \$1032.00
 Legal Description: tract of land in the NW4SE4, Sec. 31 & NW4SW4, Sec. 32, Twp.
 36N, Rge. 47E,
 Daniels County

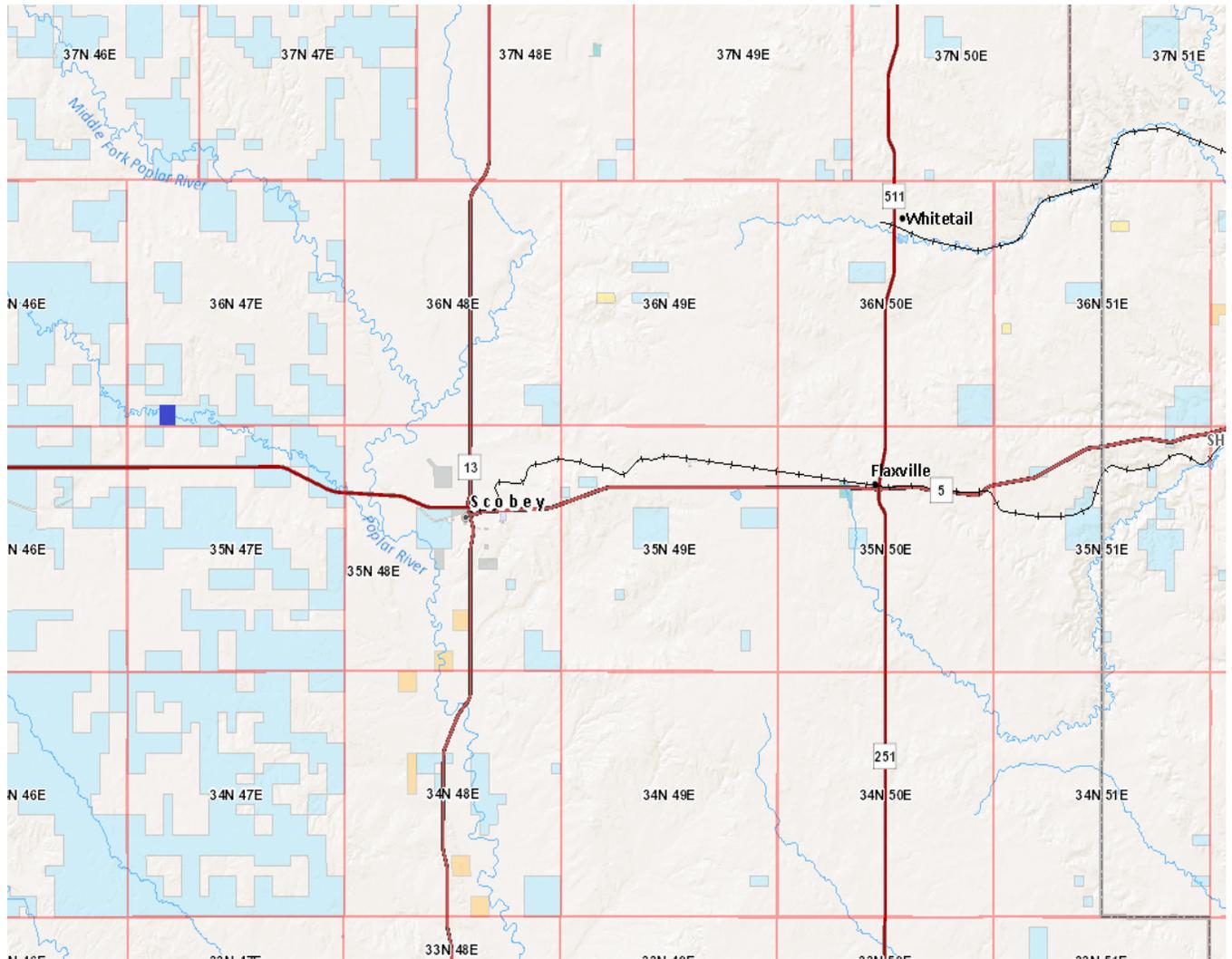
Trust Beneficiary: Common Schools

Item Summary

The Department of Transportation has made application for a bridge reconstruction project known as Butte Creek – 1m N Four Buttes. The scope of the project is to replace the existing structure over Butte Creek with a new bridge. While Butte Creek is not a navigable waterway the State owns the surface ownership adjoining Butte Creek on both sides. The project will include minor road work on the adjoining State Trust land to tie into the bridge and the addition of approach guardrail.

DNRC Recommendation

The director recommends approval of this bridge reconstruction project.



Application # 17325 - DOT

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17352
 R/W Purpose: a 7.2kV overhead electric distribution line across the Bitterroot River

Lessee Agreement: N/A (Historic)
 Acreage: 0.05
 Compensation: \$150.00
 Legal Description: 10-foot strip through SW4NE4, Sec. 14, Twp. 3N, Rge. 21W, Ravalli County

Trust Beneficiary: Public Lands

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11East Park
 Butte MT 59701

Application No.: 17353
 R/W Purpose: a 7.2kV overhead electric distribution line across the Bitterroot River

Lessee Agreement: N/A (Historic)
 Acreage: 0.04
 Compensation: \$110.00
 Legal Description: 10-foot strip through NE4SE4, Sec. 26, Twp. 6N, Rge. 21W, Ravalli County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17383
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.05
 Compensation: \$285.00
 Legal Description: 10-foot strip through NE4SE4, Sec. 24, Twp. 13N, Rge. 19W, Missoula County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17387
 R/W Purpose: a 7.2kV buried electric distribution line
 Lessee Agreement: N/A (Historic)
 Acreage: 0.43
 Compensation: \$1290.00
 Legal Description: 20-foot strip through SE4NW4, Sec. 15, Twp. 12N, Rge. 20W,
 Missoula County
 Trust Beneficiary: Common Schools

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17388
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.07
 Compensation: \$400.00
 Legal Description: 10-foot strip through E2SW4, Sec. 22, Twp. 13N, Rge. 19W, Missoula County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17391
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.07
 Compensation: \$400.00
 Legal Description: 10-foot strip through SW4SW4, Sec. 24, Twp. 13N, Rge. 19W, Missoula County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17392
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork
 River

Lessee Agreement: N/A (Historic)
 Acreage: 0.09
 Compensation: \$514.00
 Legal Description: 10-foot strip through NE4NW4, Sec. 26, Twp. 13N, Rge. 19W,
 Missoula County

Trust Beneficiary: Public Lands

Item Summary

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17393
 R/W Purpose: a 7.2kV overhead electric distribution line across the Bitterroot River

Lessee Agreement: N/A (Historic)
 Acreage: 0.08
 Compensation: \$120.00
 Legal Description: 10-foot strip through W2SE4, Sec. 2, Twp. 12N, Rge. 20W, Missoula County

Trust Beneficiary: Public Lands

Item Summary

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17394
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.09
 Compensation: \$135.00
 Legal Description: 10-foot strip through W2NE4, Sec. 29, Twp. 17N, Rge. 26W, Mineral County

Trust Beneficiary: Public Lands

Item Summary

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17395
 R/W Purpose: a 7.2kV overhead electric distribution line across the Clark Fork
 River

Lessee Agreement: N/A (Historic)
 Acreage: 0.09
 Compensation: \$135.00
 Legal Description: 10-foot strip through SE4NE4, NE4SE4,
 Sec. 29, Twp. 17N, Rge. 26W,
 Mineral County

Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17436
 R/W Purpose: a 12.47kV overhead electric distribution line across the Bitterroot River

Lessee Agreement: N/A (Historic)
 Acreage: 0.03
 Compensation: \$100.00
 Legal Description: 10-foot strip through SW4SE4, Sec. 32, Twp. 8N, Rge. 20W, Ravalli County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17437
 R/W Purpose: a 161kV overhead electric transmission line across the Bitterroot River

Lessee Agreement: N/A (Historic)
 Acreage: 0.12
 Compensation: \$685.00
 Legal Description: 30-foot strip through SE4NW4, NE4SW4, Sec. 36, Twp. 13N, Rge. 20W, Missoula County

Trust Beneficiary: Public Lands

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Northwestern Energy
 11 East Park
 Butte MT 59701

Application No.: 17438
 R/W Purpose: a 161kV overhead electric transmission line across the Clark Fork River

Lessee Agreement: N/A (Historic)
 Acreage: 0.18
 Compensation: \$1028.00
 Legal Description: 30-foot strip through NE4NE4, Sec. 24, Twp. 13N, Rge. 20W, Missoula County

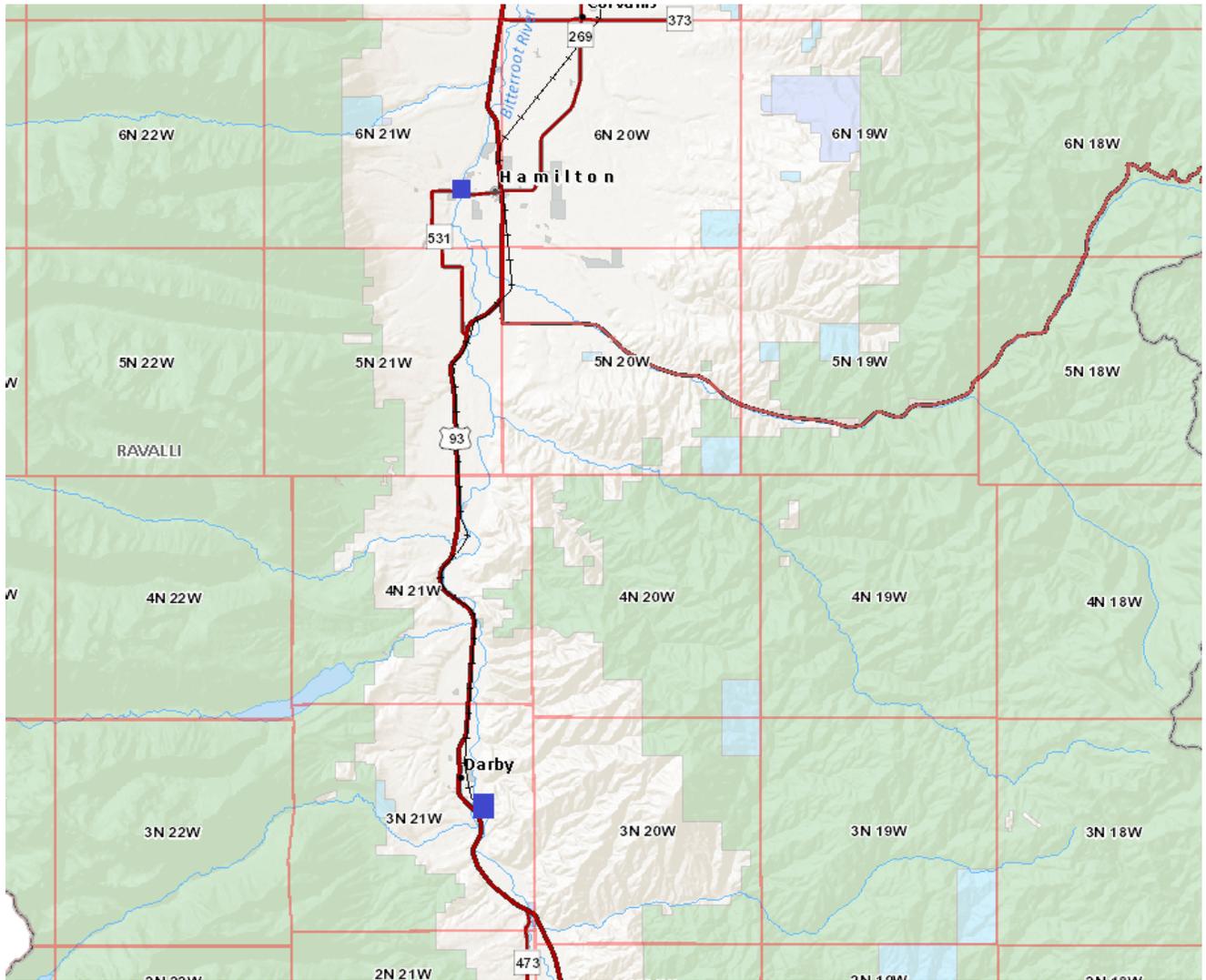
Trust Beneficiary: Public Lands

Item Summary

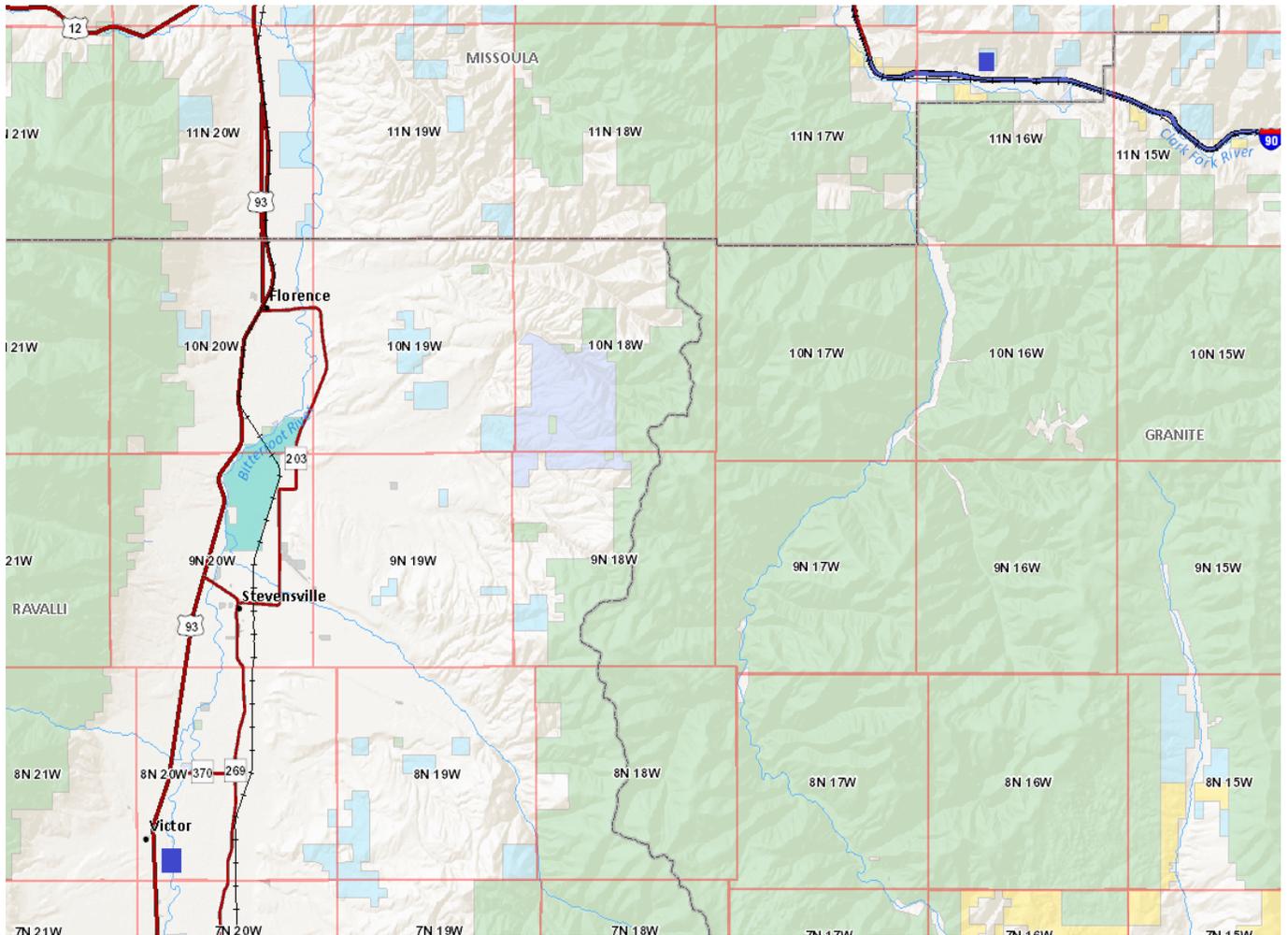
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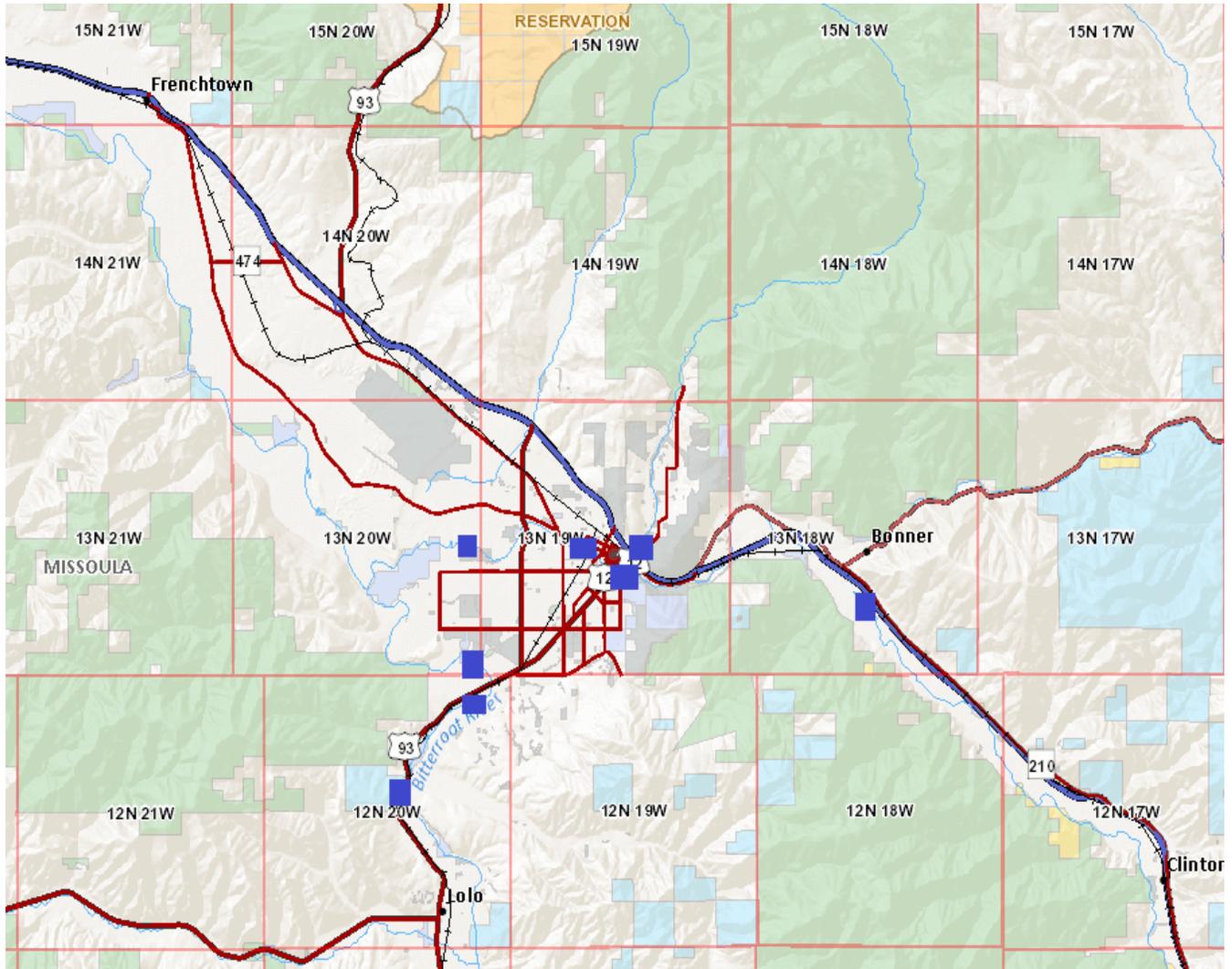
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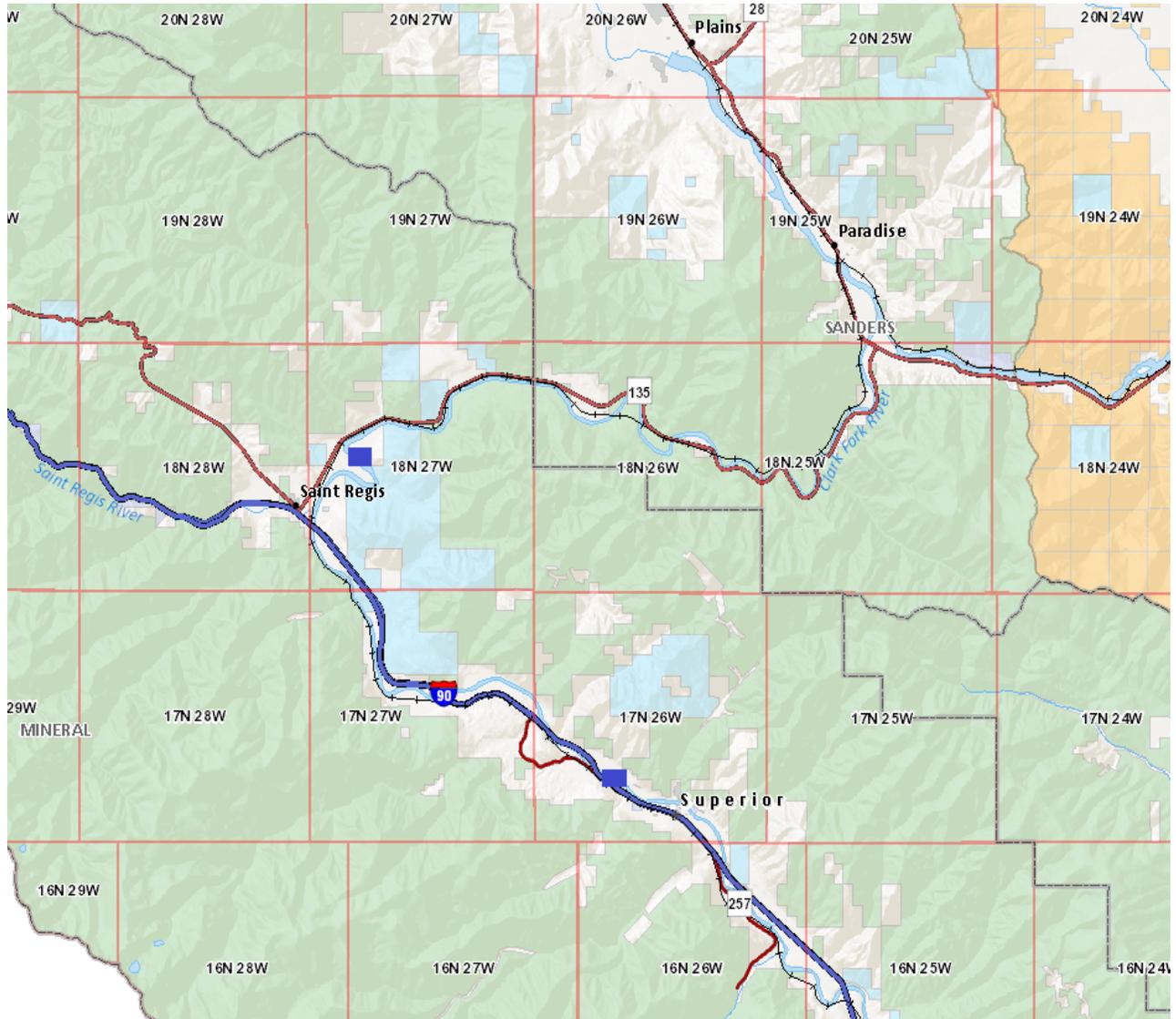
Application #'s 17352 & 17353 – NWE



Application #'s 17221 & 17436 – NWE



Application #'s 17232, 17383, 17387, 17388, 17391, 17392, 17393, 17437, 17438 – NWE



Application #'s 17321, 17394, 17395- NWE

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Central City LLC & Robert C. Bowling
1680 NE 135 ST.
Miami FL 33181

Application No.: 17503
R/W Purpose: a private access road for the purpose of access to one single family residence and associated outbuildings and for conducting normal farming and ranching operations

Lessee Agreement: N/A (Historic)
Acreage: 1.28
Compensation: \$1024.00
Legal Description: 30-foot strip through E2NE4, Sec. 36, Twp. 5S, Rge. 3W, Madison County
Trust Beneficiary: Common Schools

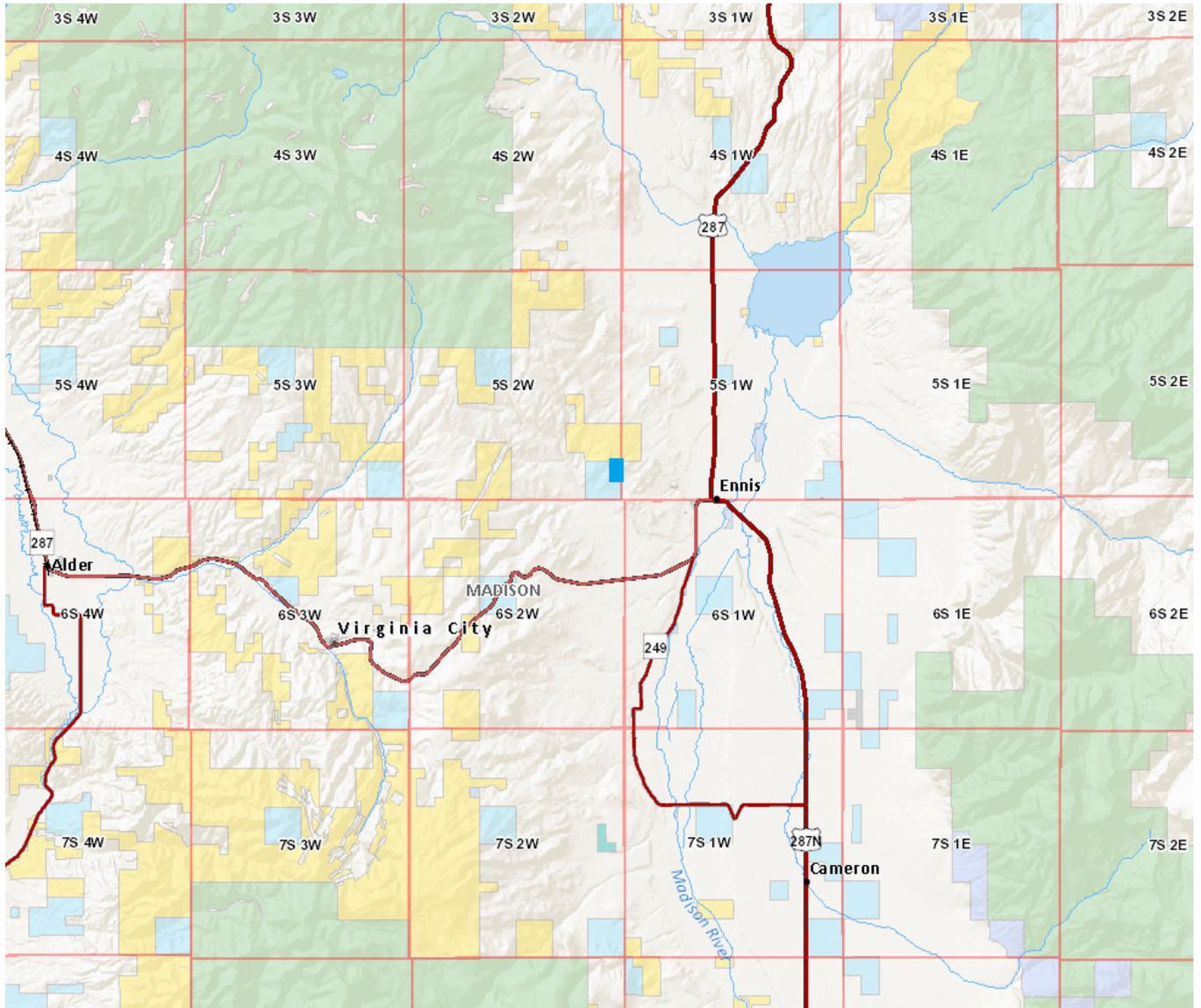
Item Summary

Central City LLC and Robert C. Bowling have made application for the use of an existing road for the purpose of access to one single family residence and associated outbuildings and for conducting normal farming and ranching operations. The road has been in place for years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The private property to be accessed is described as:

- Sec. 30, Twp. 5S, Rge. 2W – Parcel A of COS 7/2090
- Sec. 31, Twp. 5S, Rge. 2W – Parcel B of COS 7/2090

DNRC Recommendation

The director recommends approval of this historic private access road.



Application # 17503 – Bowling & Central City LLC

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a/ CenturyLink
 PO Box 4065
 Monroe LA 71211

Application No.: 17506
 R/W Purpose: an overhead fiber optic cable across the Missouri River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.2
 Compensation: \$200.00
 Legal Description: 20-foot strip through SW4SW4, Sec. 20, Twp. 16N, Rge. 2W,
 Cascade County
 Trust Beneficiary: Public Lands

Item Summary

Qwest Corporation (CenturyLink) has made application for multiple overhead fiber optic crossings across the Missouri River. The project is in response to a Settlement Agreement between Qwest and the Public Service Commission for the purpose of broadband deployment to underserved areas in the Missouri River Corridor. The entire project will run approximately 23 miles along the corridor and will provide the backbone fiber for approximately 26 additional sites to be constructed on subsequent projects. The cable infrastructure will be placed upon existing utility poles owned by NorthWestern Energy.

DNRC Recommendation

The director recommends approval of this overhead fiber optic project.

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a/ CenturyLink
 PO Box 4065
 Monroe LA 71211

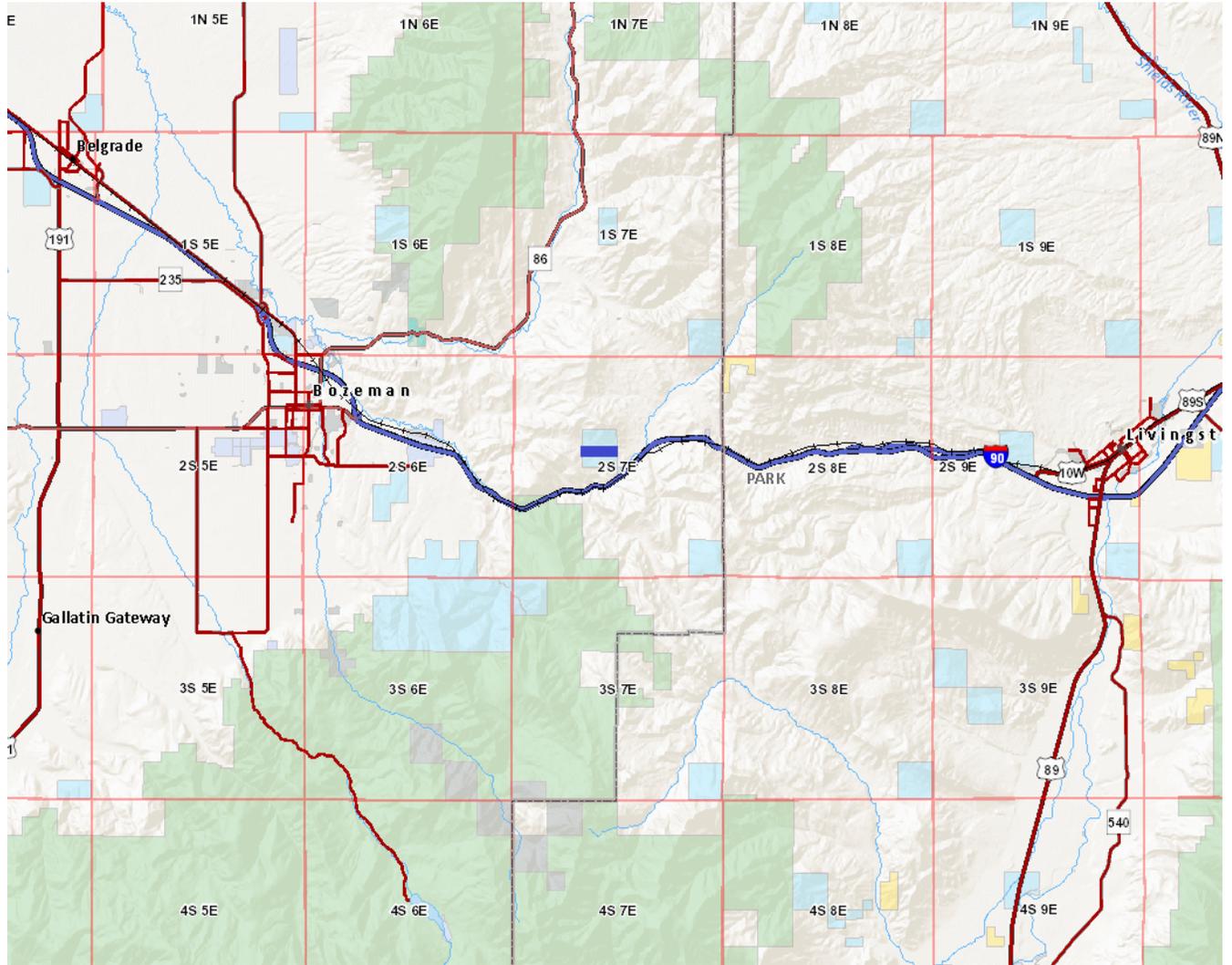
Application No.: 17533
 R/W Purpose: a buried fiber optic cable
 Lessee Agreement: ok
 Acreage: 2.44
 Compensation: \$1952.00
 Legal Description: 20-foot strip through N2SW4, N2SE4, Sec. 16, Twp. 2S, Rge. 7E,
 Gallatin County
 Trust Beneficiary: Common Schools

Item Summary

CenturyLink has made application to place a buried fiber optic cable across this section of State Trust Land to provide upgraded broadband services to the Kelly Canyon, Moffit Gulch, Jackson Creek, Quinn Creek and Trail Creek Areas as designed on CenturyLink project N. 048596. This project is designed to meet the obligations of the F.C.C. Connect American Fund phase two federal program for rural broadband deployments. The proposed route is the only path that is economical and allows the fiber access needed to place equipment sites to provide the upgraded broadband services for these areas.

DNRC Recommendation

The director recommends approval of this buried fiber optic cable.



Application # 17533- Qwest

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a CenturyLink
 PO Box 4065
 Monroe LA 71211

Application No.: 17534
 R/W Purpose: an overhead fiber optic cable across the Missouri River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.13
 Compensation: \$100.00
 Legal Description: 20-foot strip through SW4SE4, Sec. 16, Twp. 16N, Rge. 2W,
 Cascade County
 Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a CenturyLink
 PO Box 4065
 Monroe LA 71211

Application No.: 17535
 R/W Purpose: an overhead fiber optic cable across the Missouri River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.18
 Compensation: \$100.00
 Legal Description: 20-foot strip through NW4SW4, Sec. 11, Twp. 16N, Rge. 2W,
 Cascade County
 Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a CenturyLink
 PO Box 4065
 Monroe LA 71211

Application No.: 17536
 R/W Purpose: an overhead fiber optic cable across the Missouri River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.18
 Compensation: \$100.00
 Legal Description: 20-foot strip through NW4NW4, Sec. 11, Twp. 16N, Rge. 2W,
 Cascade County
 Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a CenturyLink
 PO Box 4065
 Monroe LA 71211

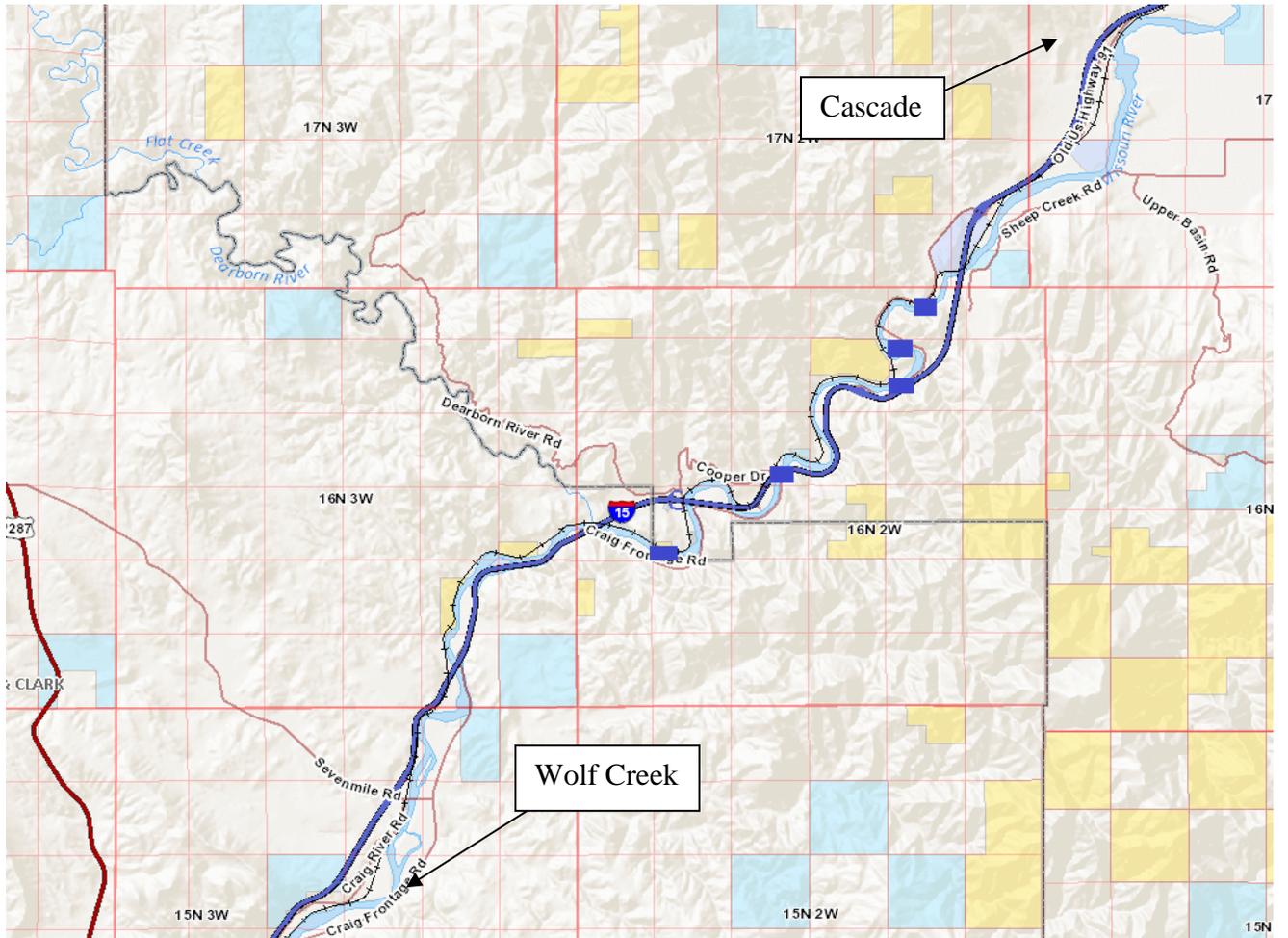
Application No.: 17537
 R/W Purpose: an overhead fiber optic cable across the Missouri River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.13
 Compensation: \$100.00
 Legal Description: 20-foot strip through NE4SW4, Sec. 2, Twp. 16N, Rge. 2W,
 Cascade County
 Trust Beneficiary: Public Lands

Item Summary

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DNRC Recommendation

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Application #'s 17506, 17534-17537 – Qwest (CenturyLink)

APPLICANTS AND RIGHTS OF WAY INFORMATION

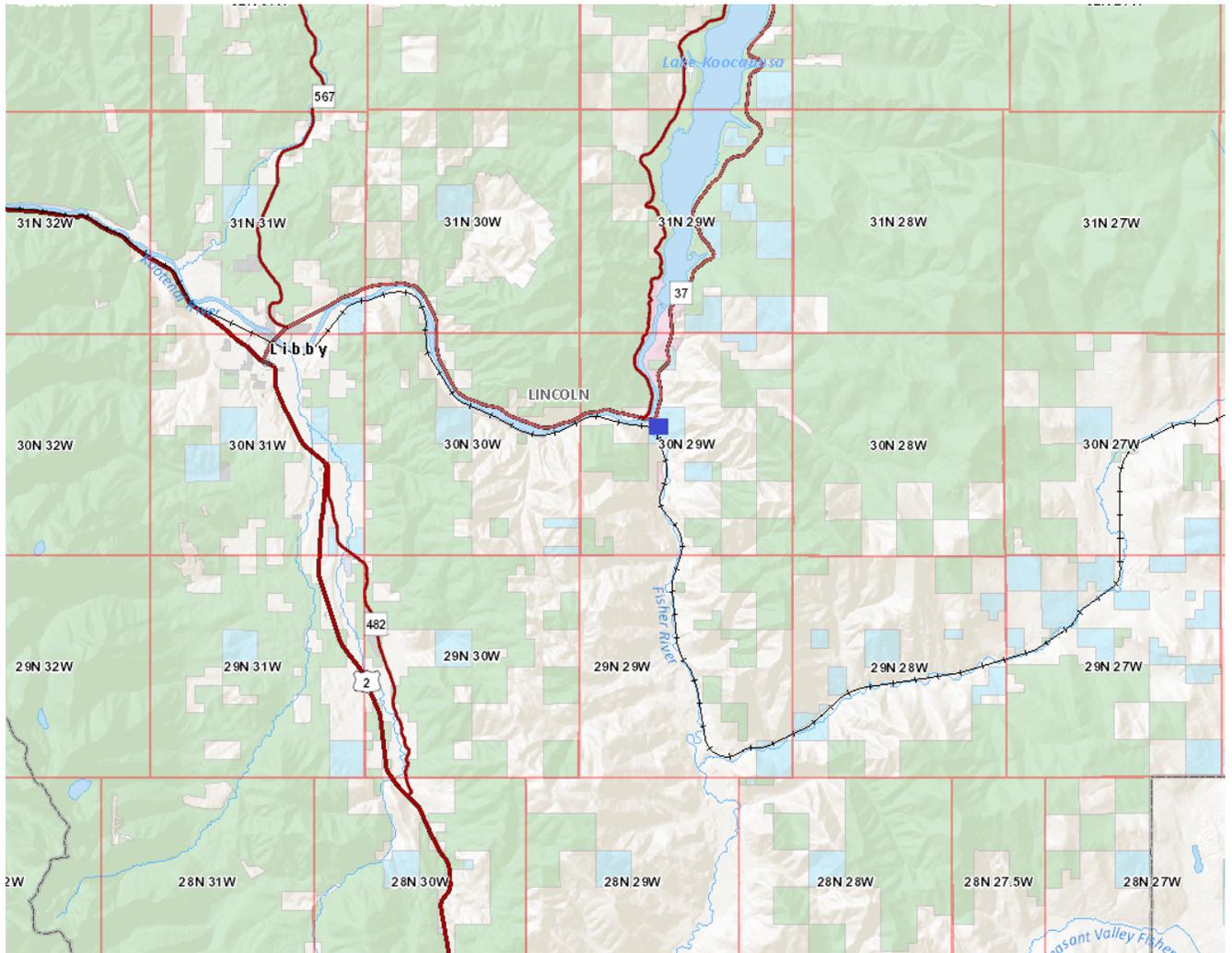
Applicant:	Lincoln County 512 California Ave Libby MT 59923
Application No.:	17571
R/W Purpose:	a solid waste green box site
Lessee Agreement:	ok
Acreage:	0.23
Compensation:	\$403.00
Legal Description:	tract of land in Government Lot 3, Sec. 16, Twp. 30N, Rge. 29W, Lincoln County
Trust Beneficiary:	Common Schools

Item Summary

Lincoln County has made application to relocate a solid waste green box site. The existing green box site has been located on the State Trust land parcel for many years and was recently discovered to not have a proper authorization for use. The proposal is to relocate the existing boxes to an easier accessible site to the north and make the location bear-proof to eliminate encounters with wildlife. The existing location will be leveled to make a parking lot area that may also serve as a public recreation parking area. The improved site will allow room for additional dumpsters to prevent overflow during high use periods and be enclosed with chain link and electric fencing to discourage bear activity at the site. Lincoln County has received grants from multiple agencies to replace standard green boxes with bear proof dumpsters and provide controlled access through chain link and electric fencing. This approach has proven successful in providing secure garbage disposal locations which discourage bears from visiting these sites, and therefore reduce the number of bears which become habituated to garbage and must be moved or destroyed.

DNRC Recommendation

The director recommends approval of this green box site.



Application # 17571 – Libby County

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Blum Ranch LLC
 1124 Hwy 59 South
 Miles City MT 59301

Application No.: 17572
 R/W Purpose: private access road for conducting normal farming and ranching operations

Lessee Agreement: N/A (Historic)
 Acreage: 0.59
 Compensation: \$192.00
 Legal Description: 30-foot strip through SW4SW4, Sec. 16, Twp. 7N, Rge. 48E, Custer County

Trust Beneficiary: Common Schools

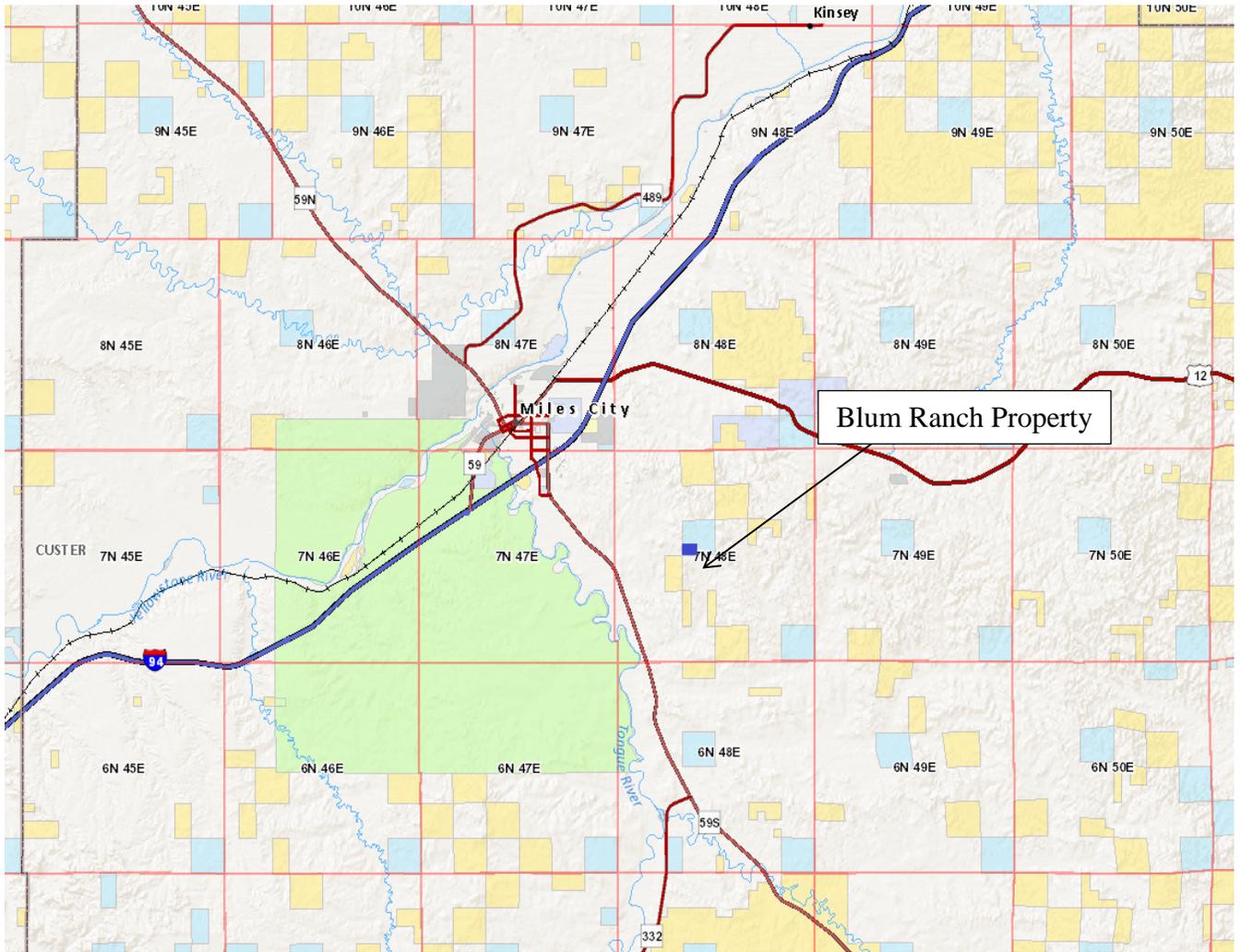
Item Summary

Blum Ranch LLC has made application for the use of an existing road to access their private lands for the purpose of access to conduct normal farming and ranching operations. The road has been in place for years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The private property to be accessed is described as:

- Sec. 21, Twp. 7N, Rge. 48E – All
- Sec. 27, Twp. 7N, Rge. 48E – All
- Sec. 28, Twp. 7N, Rge. 48E – W2E2, E2W2

DNRC Recommendation

The director recommends approval of this historic private access road.



Application # 17572 – Blum Ranch LLC

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Qwest Corporation d/b/a CenturyLink
 PO Box 4065
 Monroe LA 71211

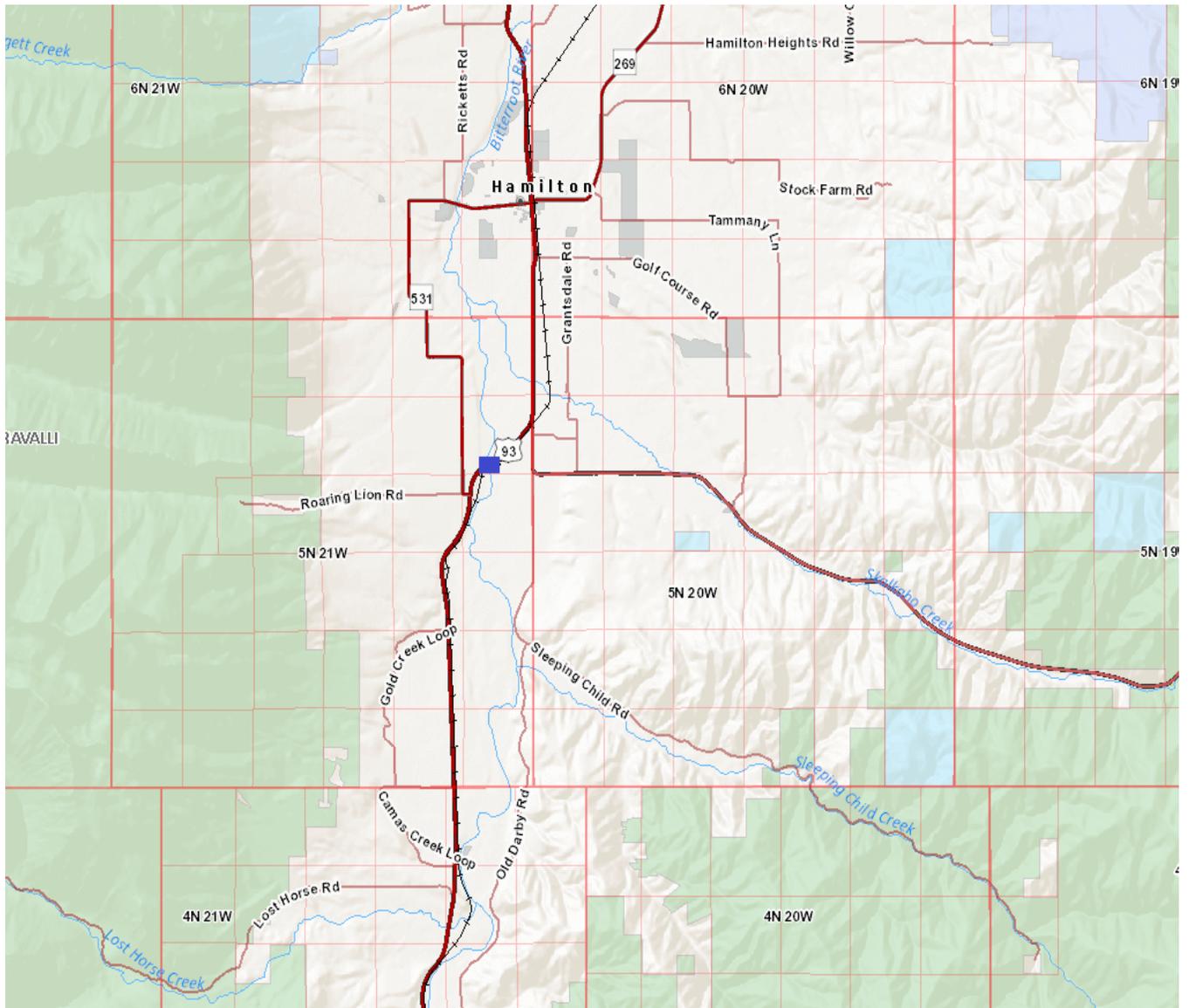
Application No.: 17573
 R/W Purpose: an overhead fiber optic cable across the Bitterroot River
 Lessee Agreement: N/A (Navigable River)
 Acreage: 0.04
 Compensation: \$120.00
 Legal Description: 10-foot strip through SE4SW4, Sec. 12, Twp. 5N, Rge. 21W,
 Ravalli County
 Trust Beneficiary: Public Lands

Item Summary

This application is part of the Qwest Corporation (CenturyLink) project that is in response to a Settlement Agreement between Qwest and the Public Service Commission for the purpose of broadband deployment to underserved areas. In this particular case, the project is to upgrade infrastructure between Hamilton and Darby, in particular to Darby Public Schools, to provide faster and higher quality internet service. The project in this area generally involves installation of buried fiber optic cable primarily along Highway 93, along with this proposed crossing of the Bitterroot River as an aerial crossing utilizing existing NorthWestern Energy infrastructure.

DNRC Recommendation

The director recommends approval of this overhead fiber optic cable across the Bitterroot River.



Application # 17573 - Qwest

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Dylan M. & Sarah L. Kinkelaar
 PO Box 187
 Winifred MT 59489

Application No.: 17599
 R/W Purpose: a private access road for the purpose of access to one single family residence and associated outbuildings and for conducting normal farming and ranching operations

Lessee Agreement: N/A (Historic)
 Acreage: 0.6
 Compensation: \$270.00
 Legal Description: 20-foot strip through NE4NW4, Sec. 21, Twp. 22N, Rge. 20E, Fergus County
 Trust Beneficiary: Common Schools

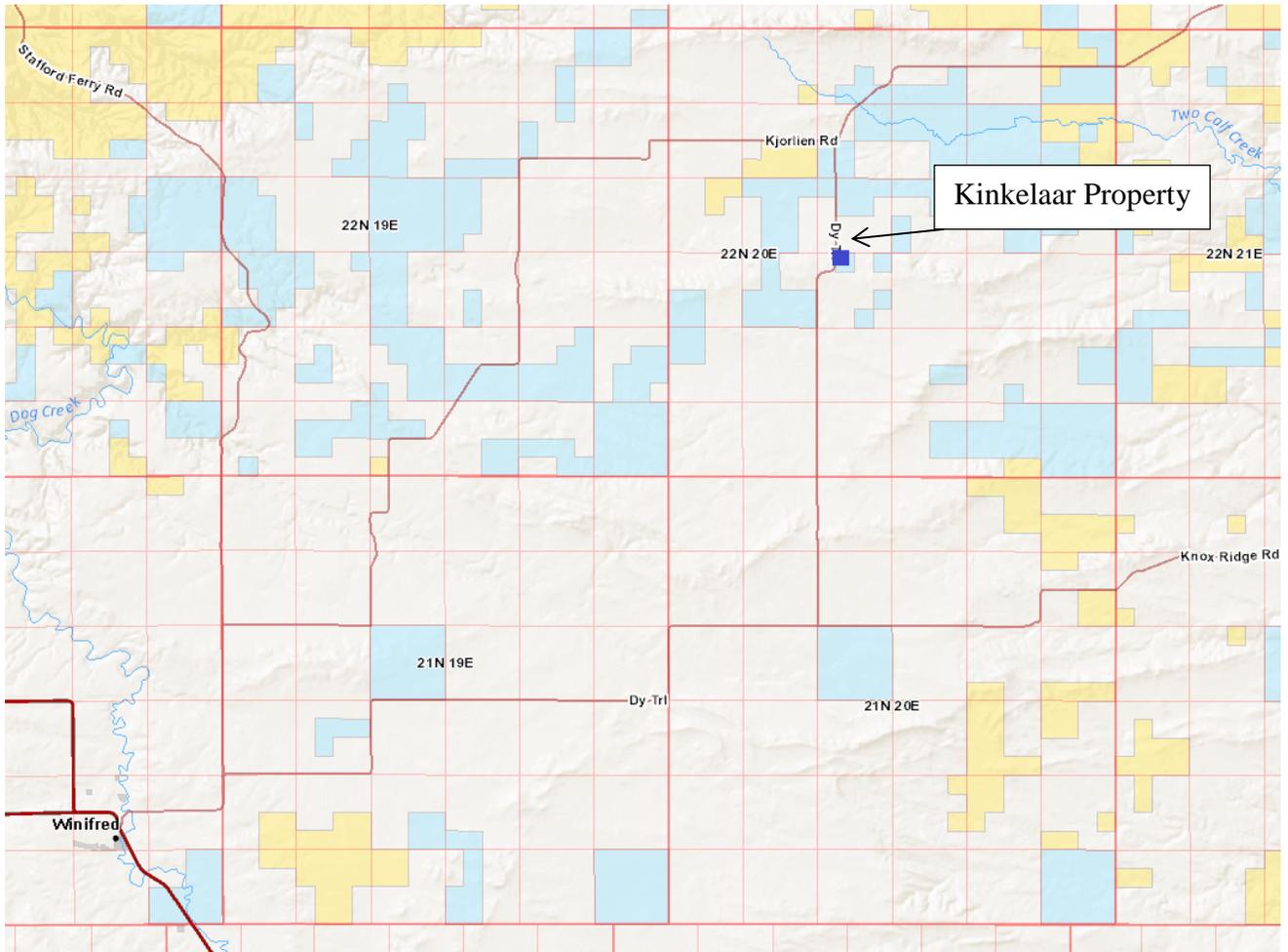
Item Summary

Dylan M. & Sarah L. Kinkelaar have made application for the use of an existing road for the purpose of access to one single family residence and associated outbuildings and for conducting normal farming and ranching operations. The road has been in place for years and authorization for continued use is being requested pursuant to §77-1-130, MCA, which allows for recognition of such historic access. The private property to be accessed is described as:

- Sec. 16, Twp. 22N, Rge. 20E – SE4SW4, S2SE4
- Sec. 21, Twp. 22N, Rge. 20E – NW4NE4

DNRC Recommendation

The director recommends approval of this historic private access road.



Application # 17599 - Kinkelaar

**U.S. FOREST SERVICE RECIPROCAL ACCESS AGREEMENT
Helena-Lewis and Clark National Forest
(Cellar-Ogilvie Gulch)**

**RIGHT-OF-WAY-APPLICATION FILE NO. 17639
November 21, 2016**

I. Applicant:

United States of America (USDA-Forest Service)
Region 1
Helena-Lewis and Clark National Forest
Helena, MT 59602

II. Purpose of Reciprocal Cost-Share Agreement:

State land is intermingled with National Forest System lands administered by the Helena-Lewis and Clark National Forest. In order for both the State of Montana and the U.S. Forest Service to gain legal access, it is necessary to exchange easements with the US Forest Service, Northern Region, as authorized by the Federal Roads and Trails Act.

III. Legal Description:

The State of Montana DNRC will grant the USA Forest Service an all lawful purpose easement, 60 feet in width, with rights for the public, over the following described lands:

State Lands:	Section 1, T12N, R7W	C.S.	Common Schools
	Section 12, T12N, R7W	C.S.	Common Schools

IV. General Information:

Miles of road and right of way area are summarized as follows:

	State	USFS	3rd Party	Total
Miles of Road:	1.61 miles	2.92 miles	0.05 miles	4.58 miles
Right of Way Area:	11.71 acres	21.24 acres	0.6 acres	33.55 acres

Land Office: CLO
Unit Office: Helena
Land Classification: Forest

Beneficiary: C.S. – Common Schools
Section 1, T12N, R7W
Section 12, T12N, R7W
Section 13, T12N, R7W

County: Lewis and Clark

V. Costs to be Borne by Each Party:

The parties desire to facilitate the resolution of legal access proposed in this Agreement, and agree that the reciprocal grant of easement by each party of this Agreement to the other is sufficient consideration to consummate the reciprocal easement conveyances. Costs were determined by negotiation between the parties and it is agreed that the land value of the State grant is \$21,078 and the land value for the Forest Service is \$21,240. The parties waive any further compensation for this purpose.

VI. Results of MEPA Analysis:

The Helena Unit Office prepared an EA Checklist (October 15, 2016), and USFS prepared a Letter to the File (October, 2016) for the project. No significant impacts are expected and no further analysis required.

VII. Benefits to State:

Integrated transportation planning results in reduced total road density by utilizing existing roads.

This exchange of cost share easements will provide permanent legal access on the existing National Forest transportation system to 678 acres of Trust Lands.

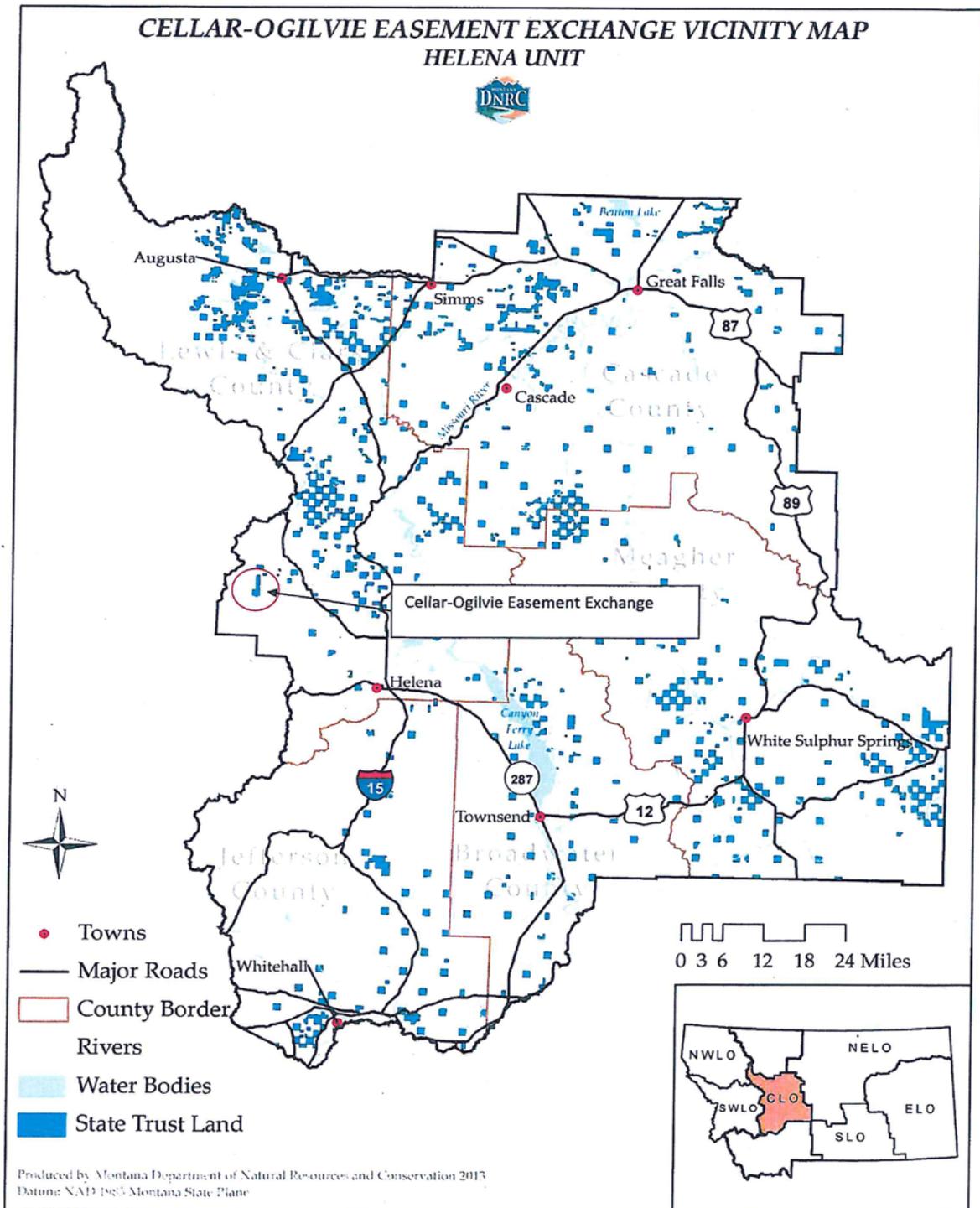
The reciprocal easements provide for sharing of future maintenance based on proportionate use.

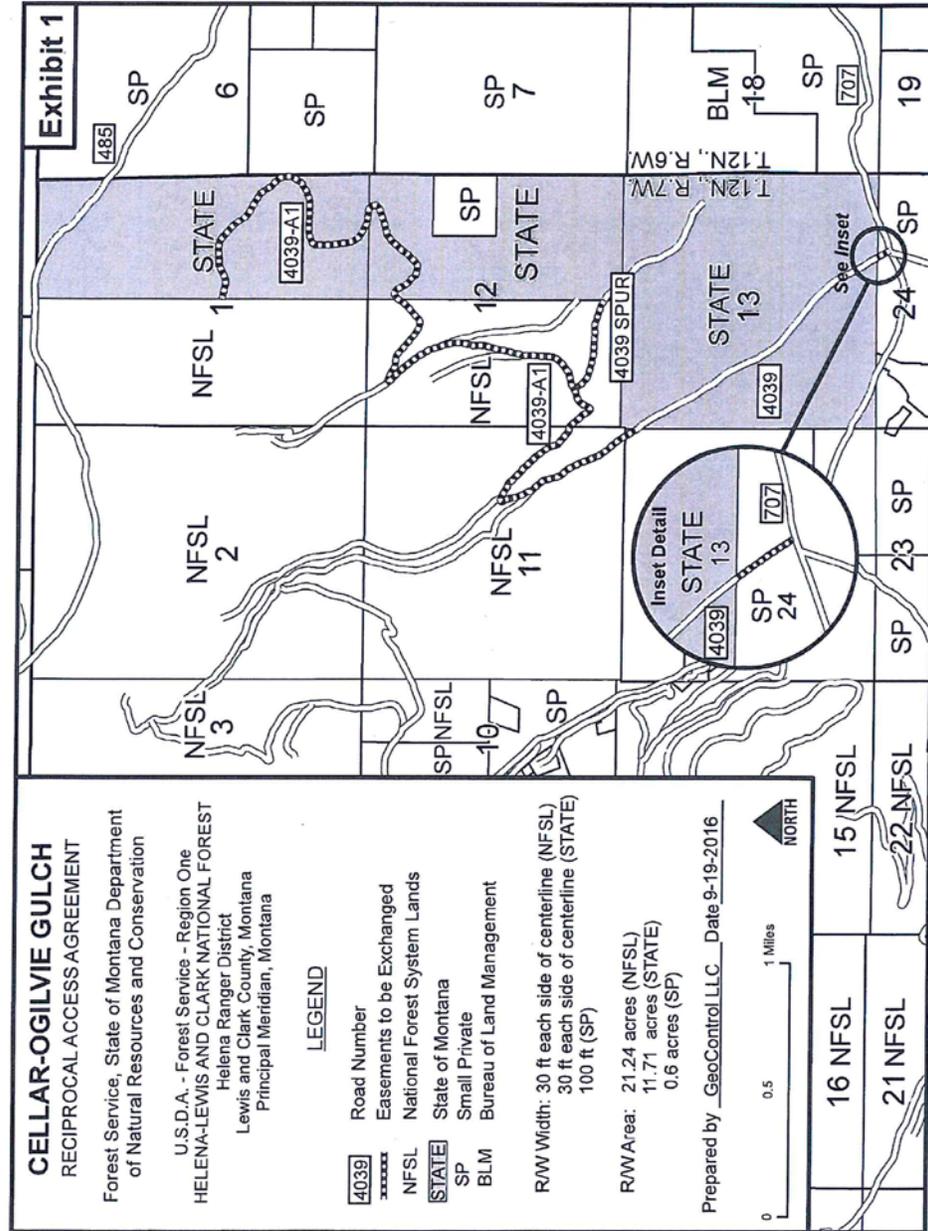
The State will receive access rights across private land acquired by Forest Service.

As a result of this agreement, there will be no change to the access rights in favor of the public (current public access to State Sections 1, 12, and 13 via Forest Service roads/lands).

VIII. Recommendation/Action:

After review of the documents, exhibits, and benefits to the State, the Director recommends approval of the Cellar-Ogilvie Gulch Reciprocal Access Agreement with the US Forest Service.





**RECIPROCAL ACCESS AGREEMENT
(CLEARWATER JUNCTION)**

**RIGHT OF WAY APPLICATION FILE NO. 17640
November 21, 2016**

I. Applicant:

O.W. Potter, Jr. Exemption Trust
8470 Sunset Hill Road, Greenough, Montana 59823-9614

Erin Elizabeth Lindbergh Limited Partnership
Peter Morrow Lindbergh Limited Partnership
Land M. Lindbergh Grandchildren Family Limited Partnership
10120 Sunset Hill Road, Greenough, Montana 59823-9619

II. Purpose of Reciprocal Access Agreement:

State land is intermingled with O.W. Potter, Jr. Exemption Trust; Erin Elizabeth Lindbergh Limited Partnership; Peter Morrow Lindbergh Limited Partnership; and Land M. Lindbergh Grandchildren Family Limited Partnership (Cooperator) property. In order for all parties to gain legal access, they have proposed to exchange easements as part of this Reciprocal Access Agreement.

1. Cooperator will grant easements to the State, 40 feet in width:
 - a. for all lawful purposes, including buried utilities, to a portion of State lands in Section 16, T14N, R14W;
 - b. for resource management purposes to a portion of State lands in Sections 4 and 16, T14N, R14W;
 - c. for timber management purposes to a portion of State lands in Sections 4 and 10, T14N, R14W.

2. The State will grant easements to Cooperator, 40 feet in width
 - a. for all lawful purposes, including buried utilities, to a portion of Cooperator lands in Sections 10 and 11, T14N, R14W;
 - b. for resource management purposes to a portion of Cooperator lands in Sections 9, 10, 11, and 15, T14N, R14W;
 - c. for timber management purposes to a portion of Cooperator lands in Section 3, T14N, R14W.

3. Under this Agreement, the State is not acquiring access rights in favor of the public. Cooperator's lands are currently under Conservation Easement held by The Nature Conservancy and limitations regarding use and types of access are present.

III. Legal Description (R/W):

Missoula County:

State Land burdened - T14N, R14W
 Sec. 2 – 6.64 acres (S.R.S.)
 Sec. 4 – 0.53 acre (S.R.S.)
 Sec. 10 – 3.30 acres (P.B.)
 Sec. 16 – 12.66 acres (C.S.)

State Land benefited - T14N, R14W
 Sec. 2 (W1/2) – S.R.S.
 Sec. 4 (SE1/4) – S.R.S.
 Sec. 10 (N1/2NE1/4) – P.B.
 (SW1/4NW1/4) – C.S.
 Sec. 16 (E1/2) – C.S.

Coop Land burdened - Sec. 3, 9, 10, and 16, T14N, R14W

Coop Land benefited - T14N, R14W
 Sec. 3 (portion of SE1/4)
 Sec. 9 (SE1/4, portion of N1/2)
 Sec. 10 (S1/2NE1/4, N1/2NW1/4, SE1/4NW1/4, SW1/4,
 N1/2SE1/4, SW1/4SE1/4)
 Sec. 11 (NW1/4, portions of W1/2NE1/4 and
 N1/2SW1/4)
 Sec. 15 (W1/2NE1/4, NW1/4, portions of N1/2SW1/4
 and NW1/4SE1/4)

Total R/W Acres:

State grant to Coop: 23.23 acres
 Coop grant to State: 19.54 acres

Total R/W Miles:

State grant to Coop: 4.79 miles
 Coop grant to State: 4.03 miles

IV. General Information:

Land Office: SWLO
 Unit Office: Clearwater
 County: Missoula
 Affected Trusts: Common Schools (C.S.), Public Buildings (P.B.), and
 Pine Hills (S.R.S.)
 Land Classification: Forest

VI. Costs to be Borne by Each Party:

Excess costs, by land value and road costs are summarized as follows:

	EXCESS COSTS	
	State owes Cooperator	Cooperator owes State
Land Value	\$ 9,760	\$ 23,297
Road Costs	\$ 11,711	\$ 15,529
Total Value/Costs	\$ 21,471	\$ 38,826

NET BALANCE

Land Value		\$ 13,537
Road Costs		\$ 3,818
Subtotals		\$ 17,355

TOTAL LAND AND ROAD

\$ 17,355

Land values are calculated with consideration given to trusts burdened and trusts benefited by the easement granted. The remaining Net Balance of \$17,355 that the Cooperator owes State will be paid in cash after approval of this Agreement by the Montana Board of Land Commissioners.

VII. Results of MEPA Analysis:

No significant impacts are expected and no further analysis required.

VIII. Benefits to State:

1. *Describe the rights regarding which DNRC lands are being accessed.*

Provides full permanent access for all lawful purposes to 144 acres of State Trust Lands in Sec. 16, T14N, R14W (C.S.)

Provides permanent access for resource management to 563 acres of State Trust Lands, as follows:

330 acres in Sec. 2, T14N, R14W (S.R.S.)

57 acres in Sec. 4, T14N, R14W (S.R.S.)

176 acres in Sec. 16, T14N, R14W (C.S.)

Provides permanent access for forest management to 223 acres of State Trust Lands, as follows:

103 acres in Sec. 4, T14N, R14W (S.R.S.)

80 acres in Sec. 10, T14N, R14W (P.B.)

40 acres in Sec. 10, T14N, R14W (C.S.)

2. *Describe the public access situation and the effects of this agreement.*

- As a result of this agreement, there will be no change to the access rights in favor of the public across cooperator lands. As stated above, Cooperator's lands are subject to a Conservation Easement held by The Nature Conservancy that limits types and use of access.

3. *Describe other benefits associated with completing the agreement.*

- Provides for an integrated transportation system which reduces road densities and potential resource impacts to water quality and wildlife habitat.
- Provides for acquisition costs to be shared and thereby reduces access acquisition costs, shared financial obligations for road maintenance, resurfacing, weed management, and road reconstruction, if need be, to current road standards.
- Provides for permanent legal access for forest management opportunities.

VIII. Recommendation/Action:

After review of the documents, exhibits, and benefits to the State, the Director recommends approval of this proposed Reciprocal Access Agreement with the Cooperator.

Since all Cooperator lands to be benefited by the State grants are currently encumbered by Conservation Easements held by The Nature Conservancy which prohibit development, the Director also recommends waiving the 1% conveyance fee in the grants.

VICINITY MAP

