

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Rosebud County Land Banking 2018
Proposed Implementation Date:	2018-2019
Proponent:	
Location:	<u>T9N-R41E-Sec 16.</u>
County:	Rosebud

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, 640 acres of State Land currently held in trust for the benefit of Public Schools. Revenue from the sale would be deposited in a special account used to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income and proximity to existing state ownership which would then be held in trust for the benefit of Public Schools. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature (77-2-361 through 367 MCA). The purpose of the program is for the Department of Natural Resources and Conservation to overall, diversify uses of land holdings of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land and consolidate ownership.

II. PROJECT DEVELOPMENT

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

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

- A letter was distributed in September 2004 to all state surface lessees informing them of the Land Banking Program and requesting nominations.
- Legal notices regarding the proposed sale were published in the **Independent Press** on August 9th and August 16th 2018.
- Direct mailings were made to lessees, adjacent landowners, County Commissioners, Tribal Representatives, Local Legislators and other interested parties. (Attachment)
- Follow-up contacts were made by phone and mail with parties requesting additional information.
- The tracts were also posted on the DNRC web page at:
<http://svcalt.mt.gov/TlmsPublic/LandBanking/LBTest.aspx>

No comments were received on the proposed action

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, under this alternative the state would retain existing land ownership would not sell the tract of land.

Alternative B- Under this alternative, the Department would request and recommend approval by the Land Board to sell this proposed tract via the Land Banking process. If approved by the Land Board the tract would be appraised to establish a minimum bid price and ultimately sold at public auction. The income from the proposed sale would be combined with other Land Banking sales revenues from across the state to fund the purchase of replacement lands with public access and increased revenue generating potential.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

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

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

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

Alternative A- No Impact

Alternative B- The section is currently being grazed if sold the expected land use is not anticipated to change. Soils range from Thin Silty to Silty. Soils are somewhat susceptible to wind and water erosion.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

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

A search of the Montana Water Rights Query System shows no water rights associated with this tract.

Alternative A- No Impacts Expected.

Alternative B- No Impacts Expected

6. AIR QUALITY:

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

The anticipated current use of this tract is not expected to change. The tract is not located within an air quality regulation zone.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

7. VEGETATION COVER, QUANTITY AND QUALITY:

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

The range sites on this tract include Thin Silty/ Silty/Shallow areas are generally considered to have a lower potential for overall grazing productivity. The plant species composition on this tract is generally dominated by grasses which include Western Wheatgrass (*Agropyron smithii*), Green Needlegrass (*Stipa viridula*), Bluebunch Wheatgrass (*Agropyron spicatum*), Needle and Thread (*Stipa comata*), Prairie Junegrass (*Koeleria pyramidata*), and Blue Grama (*Bouteloua gracilis*).

The tract is currently utilized for livestock grazing and that use is anticipated to continue into the foreseeable future. No rare plant or cover types were noted on the tract during previous field evaluations. A search of the Montana Natural Heritage Database shows no rare plant species or cover types within the general area the tract proposed for Land Banking.

Alternative A- No Impact Expected

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

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

The parcel of state trust land is used by a variety of wildlife species, common to rangeland areas of Eastern Montana. The area provides habitat for a variety of big game species (Mule Deer, Whitetail Deer, and Antelope), predators (Coyote, Fox, Badger), upland game birds, other non-game mammals, raptors, reptiles, amphibians and various songbirds. Wildlife use on this section is not seasonal in nature.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

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

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

A search of the Montana Natural Heritage Program Database shows no occurrence of any sensitive species within the general area of this proposed action. This project is located within identified Greater Sage Grouse Core Habitat area. The tract is currently utilized for livestock grazing and that use is not anticipated to change into the foreseeable future. No impacts to this species as a result of the proposed action are expected.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

The DNRC archaeologist conducted a Class III cultural and paleontological resources inventory of the state tract proposed for sale through DNRC's Land Banking Program. Although no paleontologic resources were identified, during the course of inventory a minimal historic trash scatter (24RB2783) and two isolated porcellanite flakes (IF-1 and IF-2) were documented. All of these cultural resources are ineligible for listing in the National Register of Historic Places. Transferal of the state parcel to private ownership will result in *No Effect* to *Antiquities* as defined under the Montana State Antiquities Act. A formal report of findings has been prepared and is on file with the DNRC and the Montana State Historic Preservation Officer.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

11. AESTHETICS:

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

This tract is located in a rural area of Rosebud County and is not located on a prominent feature or in a high visibility area. Anticipated land use is not expected to change therefore there should be no change to the aesthetics in either alternative.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

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

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected- This parcel is a very remote grazing parcel and the existing grazing use is expected to continue.

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

Identify any health and safety risks posed by the project.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

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

The proposed Land Banking sale action would transfer this tract of land from tax exempt to taxable status. The potential impact to the tax base is unknown at this time.

Alternative A- No Impacts Expected

Alternative B- Tract would be moved to taxable status and should provide an increase to the property tax base.

18. DEMAND FOR GOVERNMENT SERVICES:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

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

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

The proposed Land Banking sale has no legal access which limits the recreational potential of the tract.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

Alternative A- No Impacts Expected

Alternative B- No Impacts Expected

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

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

The tract currently leased for grazing and has a carrying capacity of 141 Animal Unit Months (.220 AUM/Acre) at the current rate of \$11.03/AUM and generating an income of \$1,555.23 per year or approximately \$2.43/acre. Based on the DNRC Annual Report for Fiscal Year 2017, the average income for the 4.1 million acres of grazing land was \$3.46/acre with an average productivity of .235 AUM/Acre. Therefore this tract is considered below average in productivity and producing below average revenue per acre. There is no indication the tract, if remaining in state ownership, would be used for purposes other than grazing and it is likely the future income would remain relatively stable. This tract overall appears to have a lower than average potential for appreciation along with comparatively high administrative costs.

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

EA Checklist Prepared By:	Name: Chris Pileski	Date: 10-2-2018
	Title: Area Manager	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The proposed sale of 640 acres of state trust lands through the DNRC's Land Banking Program would not result in nor cause significant environmental impacts. The low productivity (.220AUM's per Acre), isolated nature of the parcel, lack of

additional income generating capacity, and high administrative costs for this parcel fit within the criteria of parcels to sell identified in the Land Banking Program. It is also anticipated that the current land use activity of livestock grazing would be unchanged with the sale of this property. Considering these factors, an environmental assessment checklist is the appropriate level of analysis for the proposed action.

The sale of this parcel meets the overall goals and objectives of the Land Banking Program and would satisfy the trust fiduciary mandate.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS

More Detailed EA

No Further Analysis

EA Checklist Approved By:	Name: Scott Aye
	Title: Lands Program Manager
Signature: /s/ Scott Aye 	Date: 10-2-2018