CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Fergus County Land Banking Sale-A
Proposed Implementation Date:	Summer 2019
Proponent:	Edward Butcher
Location:	T20N, R20E, Sec 16 – Common Schools
County:	Fergus County

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction, one parcel encompassing 640 acres of state trust land currently held in trust for the Common School trust beneficiaries.

Revenue from the sale would be deposited in a special account used to purchase replacement land meeting acquisition criteria related to legal access, productivity, and potential income which would then be held in trust for the beneficiary. The proposed sale is part of the Land Banking program authorized by the 2003 Legislature. The purpose of the program is to diversify the land portfolio 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.

DATE	GROUP AND / OR INDIVIDUALS CONTACTED
May 14 to June 17, 2019	Montana Environmental Policy Act - Public Scoping Individuals and organizations contacted: Trust Land lessees, adjacent landowners, County Commissioners, Negotiated Rulemaking Committee members, Land Banking scoping list and DFWP Region 4. No comments were received regarding the proposed sale.

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, do not sell Trust Land.
Alternative B- Sell Trust Land

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.

This parcel is typical of the Missouri river breaks country with bench land dissected by Deadman and Deer Coulees. Class V, VI AND VII clay soils dominate the range sites.

No direct, indirect or cumulative effects are anticipated.

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.

Deadman and Deer Coulees, ephemeral tributaries of Armells Creek cross the parcel SW to NE. A developed spring provides livestock water documented by water right 40EJ-21683-00.

No impact is expected. No direct, indirect or cumulative effects are anticipated.

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 parcels are located within a class II air shed. No direct, indirect or cumulative effects are anticipated.

7. VEGETATION COVER, QUANTITY AND QUALITY:

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

The vegetation is typical for the area including western wheatgrass (*Agropyron smithii*), green needle (*Stipa viridula*), and needle and thread (*Stipa comata*) and native forbs. 121 acres in the NW4 are farmed and planted to alfalfa / grass hay land. A search of the Montana Natural Heritage Program database indicates there are no known rare, unique cover types or vegetation on the tracts.

Vegetation may be affected by numerous land management activities including livestock grazing, conversion to cropland, development or wildlife management. It is unknown what land use activities may be associated with a change in ownership; however the vegetation on this land is typical of land throughout the vicinity and there are no known rare, unique cover types or vegetation on these tracts.

No direct, indirect or cumulative effects are anticipated.

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.

A variety of wildlife species including elk, mule deer, antelope, fox, coyote, sage grouse, sharp-tail and non-game birds use this tract during various times of the year. No seasonal concentrations of wildlife are known to exist on the tracts.
No direct, indirect or cumulative effects are anticipated.

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 Natural Heritage Resource data base did not identify habitat for any threatened or endangered species. The search did identify habitat within Fergus County for following sensitive species; Greater Sage Grouse.

The proposed land banking tract lies within designated sage grouse habitat outlined in the Governor's Executive Order 12-2015. The west half of the parcel is within sage grouse core habitat and the east half within sage grouse general habitat. No sage grouse leks are known to exist on the property. The northwestern quarter section has been previously broken for farming and is no longer suitable sage grouse habitat. Deadman and Deer Coulees dissect the parcel with unsuitable habitat and encroachment of pine trees. Sage brush constitutes 7-9% of the plant community. Farm land exists immediately adjacent to the parcel to the north, west and south and timber to the east. The parcel thus provides poor sage grouse habitat.

The existing lessee has indicated a desire to continue current management which consists of livestock grazing and hay land management.

No direct, indirect or cumulative effects are anticipated

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

The state parcel nominated for sale (Section 16, T20N R20E) was inventoried to Class III standards for cultural and paleontological resources. No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified. Further, neither Judith River nor Hell Creek geological formations occur on or beneath the ground surface of the subject state tract.

No direct, indirect or cumulative effects are anticipated

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.

The parcel is typical of the upland Missouri River breaks country consisting of two upland benches bisected by ephemeral coulees. No change in aesthetics is expected as a result of sale.

No direct, indirect or cumulative effects are anticipated.

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.

Sale of the parcel does not require use of any limited natural resources. No direct, indirect or cumulative effects are anticipated.

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.

No other environmental documents pertinent to this area are known to exist. No direct, indirect or cumulative effects are anticipated.

IV. IMPACTS ON THE HUMAN POPULATION

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

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Sale of the property will not result in any impacts to human health or safety.

No direct, indirect or cumulative effects are anticipated.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

A 117.8 acre portion of the NW quarter of the parcel has previously been broken for agricultural production and is managed as hay land. Surrounding land uses consist of both farming and ranching practices. The project proponent has indicated a desire to continue current operations.

No direct, indirect or cumulative effects are anticipated.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

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

The sale of the parcel would have no effect on the quality or distribution of employment. No direct, indirect or cumulative effects are anticipated.

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 parcels would move from tax exempt status to taxable status, which will provide income to the county. On average grazing land contributes $1-$2 per acre tax revenue resulting in $640 - $1,280 of new tax base for Fergus County.

No direct, indirect or cumulative effects are anticipated

18. DEMAND FOR GOVERNMENT SERVICES:

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

The sale of the parcel would have no effect on the demand for government services. No direct, indirect or cumulative effects are anticipated.

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.

Fergus County has not adopted land zoning designations. No other local, state or federal management plans exist for the parcel.

No direct, indirect or cumulative effects are anticipated.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:
Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

This parcel has no means of legal access other than through permissive access through adjoining private lands. Access to this parcel after sale would continue to be through permissive access through deeded property.

No direct, indirect or cumulative effects are anticipated.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:
Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

This sale proposal will not result in any need for additional housing nor affect population.

No direct, indirect or cumulative effects are anticipated.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

This sale proposal will not result in any change to native or traditional lifestyles. No direct, indirect or cumulative effects are anticipated.

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

The parcels do not exhibit any unique qualities.

No direct, indirect or cumulative effects are anticipated.

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.

This 640 acre parcel currently has two grazing leases one of which also includes hay land and aftermath grazing. There are 96 total AUMs on 522.2 acres of native range (.18 AUM / AC) at a rate of $13.10 and generating an annual income of $1257.60. In addition, 117.8 acres of hay land produces $1,308 average annual income or $11.10 / acre. Total income from the parcel is $2,565 or approximately $4.00/acre. State wide 4.3 million acres of grazing land produce an average carrying capacity of .25 AUM / acre and return of $3.28 / acre. State wide approximately 420,000 dryland crop acres provide an average annual return of $28.39 / acre. Therefore, this tract is considered below average in productivity and revenue per acre.

An appraisal of the property value has not been completed. Assuming a value of $500/acre grassland and $1000 cropland the current annual return on the asset value for this tract is 0.68%. Average income rate of return on agriculture/grazing acquisitions with income generated from annual lease payments is 1.99%. This would indicate a higher return on asset value could be expected under Alternative B, sale of the property.

EA Checklist Prepared By:	**Name:** Jocee Hedrick	**Date:** 06/26/19
	Title: Lewistown Unit Manager	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B – Sale. The parcel has no unique attributes and contributes below average income from hay land and grazing rental to the common school trust. The parcel does not have legal access and has average

recreational amenity. Sale and purchase of replacement land will generate more income and provide for public recreational access.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

No significant impacts are anticipated as a result of sale.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

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

EA Checklist Approved By:	**Name:** Clive Rooney	
	Title: NELO Area Manager	
Signature:		**Date:** 6-26-19