CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Fergus County Land Banking Sale
Proposed Implementation Date:	Winter 2019-2020
Proponent:	Terry & Aileen Noble
Location:	T20N, R17E, Sec 16, E2NE4 & NE4SE4 – Common Schools
County:	Fergus County

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction, one parcel encompassing 120 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
October 30 to November 29, 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 from the public or adjacent landowners 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.

Class VII complex clayey loam soils dominate the range sites with a small inclusion of Class III soils where the small acreage of agricultural land is.

This tract is mainly comprised of a large steep coulee that runs from north to south that experiences a lot of erosion from water and gravity. The proposed sale is not anticipated to impact the geology and soil quality, stability and moisture.

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.

The tract consists of a coulee that drains into Salt Creek, a tributary of the Judith River. The proposed sale is not expected to alter the water quality, quantity, or distribution.

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*), bluebunch wheatgrass (*Agropyron spicatum*), needle and thread (*Stipa comata*), big sagebrush (*Artemesia tridentata*), silver sagebrush (*Artemesia cana*), cheatgrass (*Bromus tectorum*), and native forbs. 2.2 acres in the NW4SE4NE4 is currently farmed. 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 identified the Great Blue Heron as the only species of concern within the area of potential effect. The proponent does not intend to change the land use of this acreage; therefore no adverse impacts are anticipated in regard to the Great Blue Heron's habitat.

The proposed land banking tract lies within designated general sage grouse habitat outlined in the Governor's Executive Order 12-2015. No sage grouse leks are known to exist on the property. A small amount of this acreage is currently farmed (2.2 acres) and the remaining acres consist of a very steep coulee that drains into Salt Creek to the north of this tract. Sage brush constitutes approximately 12% of the plant community. Farm land exists immediately adjacent to the parcel to the east and west. The parcel thus provides poor sage grouse habitat.

No direct, indirect or cumulative effects are anticipated

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

A Class III cultural and paleontological resources inventory was conducted of the area of potential effect on state land. Despite a detailed examination, no cultural or fossil resources were identified on the 120 acre parcel nominated for sale. No additional archaeological or paleontological investigative work is recommended. Disposal of the subject School Trust parcel will have *No Effec*t to *Antiquities* as defined under the Montana State Antiquities Act. A formal report of findings is forthcoming and will be made available through the DNRC and the Montana State Historic Preservation Officer.

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 consists of a large coulee that drains into Salt Creek. No change in aesthetics are expected as a result of the proposed 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.

2.2 acres are currently being farmed in the NW4SE4NE4 and the remaining rangeland acres consist of a very steep coulee that only produces an average of 0.1675 AUMs per acre, which is below the average for the Lewistown Unit of 0.25 AUMs per acre. Surrounding land uses consist of both farming and ranching practices. The 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 $120 - $240 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 tract does not have public access and therefore the proposed sale of this property will not impact the access to and quality of recreational and wilderness access.

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 120-acre parcel currently has one grazing lease that produces 20 total AUMs at a rate of $12.92 and generating an annual income of $258.40. The 2.2 acres of agricultural land produces an average income of $45.78/acre for an annual income of $100.72. This parcel is authorized for a trapping license, but the trust does not receive rental for this use. Total income from the parcel is $359.12 or approximately $2.99/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. Therefore, this tract is considered below average in productivity and revenue per acre.

There is an elk fence owned by the neighbor to the west in the NW4NE4NE4 that encumbers approximately 10 acres of this 120-acre parcel.

An appraisal of the property value has not been completed. Assuming a value of $700/acre for grassland, current annual return on the asset value for this tract is 0.42%. 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:**	01/02/2020
	Title:	Lewistown Unit Manager		

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B – Sale. The parcel has no unique attributes and contributes below average income from grazing rental to the common school trust. The parcel does not have legal access which limits the recreational value of this tract. 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:** 1/3/20