CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Eastern Land Office Land Banking 2010
Proposed Implementation Date:	2011
Proponent:	
Location:	T8S R60E S36
County:	Carter

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, 540 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. 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 were published in the Ekalaka Newspaper June 11th to June 20th .
- Direct mailings were made to lessees, adjacent landowners, County Commissioners and other concerned parties.
- 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://dnrc.mt.gov/TLMSPublic/LandBanking/LBTest.aspx

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

Possible easement across the section. The county needs to be contacted

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, do not sell the parcels of Trust Land identified.
Alternative B- Sell Trust Land parcels identified

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 land will be used as a grazing tract with minimal disturbance occurring.

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.

Alternative- A No Impact 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.

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.

Alternative A- No Impact Expected
Alternative B- No Impact Expected- A search of the Montana Natural Heritage Database reveals that Sage grouse habitat does occur on the lease but, no rare plant species.

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.

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.

Alternative A- No Impacts Expected
Alternative B- Wetlands are found on the tract of land but the selling of the land should not affect the wetlands found. Sage grouse habitat does occur but should not be affected by the selling of the land.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:
Identify and determine effects to historical, archaeological or paleontological resources.

No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified.

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.

Alternative A- No Impacts Expected
Alternative B- No Impacts Expected- the existing use is expected to continue.

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- the existing use is expected to continue.

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 Trust Land grazing parcel and the existing use is expected to continue.

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.

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.

If approved the tracts mentioned will move from tax exempt status to taxable status, which will provide income to the county, exact amount is unknown until the assessor appraisal is completed

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.

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 has a grazing lease for 108 Animal Unit Months (.20 AUM/Acre) at an average rate of $6.12/AUM and generating an income of $661 or approximately $1.1.22/acre. Based on the DNRC Annual Report for Fiscal Year 2004, the average income for the 4.3 million acres of grazing land was $1.83/acre with an average productivity of .25 acres/ AUM. 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 looks to have low appreciation potential along with 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 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 statue, the revenue would be deposited in the permanent trust for investment.

EA Checklist Prepared By:	**Name:** Kimberly Haile	**Date:** 1-18-2011
	Title: Land Use Specialist	

V. FINDING

25. ALTERNATIVE SELECTED:

Sell

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 (less than >25 acres / AUM), 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 [x] No Further Analysis

EA Checklist Approved By:	Name: Chris Pileski Title: Area Manager	
Signature: \s\ Chris Pileski		Date: 1-18-2011