CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Eastern Land Office Land Banking 2013
Proposed Implementation Date:	2013
Proponent:	Marvin Rehbein, Griffin Ranch, and Ellis Ranch
Location:	T1N R48E S24, T3N R54E S16, and T9N R51E S18
County:	Custer

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, 1120 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 notice was published in the Miles City Star in May, 2013.
- Direct mailings were made to lessees, adjacent landowners, County Commissioners and other concerned parties. Comments were received from the Montana Dept. of Fish, Wildlife, and Parks.
- 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:

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, under this alternative the state would retain existing land ownership pattern and 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 the proposed land locked tracts. If approved by the board, the sale would be at public auction. The income from the sale would be pooled with other land sale receipts from across the state to fund the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts.

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- These tracts are currently being grazed, if sold the land will continue to be grazed 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- There is a well in SENWNE in S24 T1N R48E plus Pumpkin Creek runs through the NENW of this tract. Section 16 T3N R54E has a small dam in the NW4 and Alkali Creek runs through it. Water rights will transfer with the sale of these tracts. Other water quality and/or quantity issue will not be impacted by the proposed action.

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.

Pollutant and particulate levels are currently normal for the area; no increases in these levels are expected. The proposal does not include any on the ground activities, or changes to activities. Tracts do not have any air quality regulations or zones.

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 these tracts are considered to have average production with thin silty to shallow range sites. Species composition is dominated by grasses which include Western Wheatgrass (Agropyron smithii), Green Needlegrass (Stipa viridula), Bluebunch Wheatgrass (Agropyron spicatum), Prairie Sandreed (Calamovilfa longifolia), Prairie Junegrass (Koeleria pyramidata), Threadleaf Sedge (Carex filifolia), Six Week Fescue (Vulpia octoflora), Sandberg Bluegrass (Poa secunda), Needle and Thread (Stipa comata) and Blue Grama (Bouteloua gracilis). Sub-dominate species include various forbs and woody species.

Vegetation may be affected by numerous land management activities including livestock grazing, 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. It is expected that these tracts will be used for grazing livestock in the future. The proposal does not include an on the ground activities or changes to activities and therefore we do not expect any direct or cumulative effects would occur to vegetation as a result of this proposal.

Alternative A- No Impact Expected

Alternative B- No Impact Expected- A search of the Montana Natural Heritage Database reveals that there are no rare plant species or cover types within the tracts mentioned.

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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.

These parcels of state trust land are used by a variety of wildlife species typical of undeveloped lands throughout the county. Wildlife populations can be affected by land use activities associated with livestock grazing, residential development or agricultural practices. The area provides habitat for a variety of big game species (mule deer, whitetail deer, and pronghorn antelope), predators (coyote, fox, and badger), upland game birds, other non-game mammals, raptors and various songbirds. Wildlife use on this land is not seasonal in nature. A search of the Montana Natural Heritage Database shows that in the general area of Sect. 16 T3N R54E the Greater Sage Grouse has been seen and the Great Blue Heron may have potential habitat in the Powder River corridor. These tracts are grazing parcels and that is not expected to change with a potential land sale.

Alternative A- No Impacts Expected
Alternative B- No Impacts Expected

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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- No Impacts Expected

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

Alternative A- No Impacts Expected
Alternative B- No Impacts Expected
No *Antiquities*, as defined under the Montana State Historic Preservation Act, were identified. A tract review was done by DNRC Staff Archaeologist, Patrick Rennie.

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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.

These tracts are located in rural areas of Custer County. The state land does not provide any unique scenic qualities not also provided on adjacent private lands. The proposal does not include any on the ground activities; therefore there should be no change to the aesthetics in either alternative.

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

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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- These parcels are remote Trust Land grazing lands 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.

One comment letter was received from the Montana Dept. of Fish, Wildlife, and Parks generally in favor of the sale of these isolated tracts of state land and purchasing lands that are consolidated and accessible. It was noted that one tract could be accessed by corner to corner crossing Federal lands, but this has not been proven to be legal access and it would be over 6.5 miles of traversing very rugged terrain.

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.

These tracts currently have grazing leases at the state minimum rate of $9.94/AUM and generating an income of $2674 per year. Therefore these parcels are considered average in productivity and producing average revenue per acre. However there is no water on this land and potential for development is very low to enhance the grazing resource. There is no indication the land, 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:**	Marc Aberg	**Date:**	7/16/2013
	Title:	Lands Program Manager		

V. FINDING

25. ALTERNATIVE SELECTED:

Sell these tracts of land

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The proposed sale of 1120 acres of state trust lands through the DNRC's Land Banking Program would not result in nor cause significant environmental impacts. The average productivity, isolated nature of the parcels, no water resource, 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 these parcels 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**:	7/17/2013