

EKLUTNA

LAND

EXCHANGE

A Summary of the North Anchorage Land Agreement

Kandy Welton - LISD -
has done an overview -

Jane Frost/Sen. Kelly

Judy Markus -
Al Miners -

Introduction

The North Anchorage Land Agreement (NALA) provides for resolution of several longstanding land ownership and management issues in the area north of downtown Anchorage and south of the City of Palmer. Authority for the agreement is found in Section 1425 of the National Interest Lands Conservation Act (ANILCA) passed by Congress in 1980. Section 1425 of ANILCA was an unusual law in that it permitted local people to agree on a solution to what were really local problems, and then to impose that solution upon the federal government. NALA involves more than 100,000 acres and affects the land holdings of the State of Alaska, the Municipality of Anchorage and Eklutna, Inc. (a Native corporation formed under provisions of the Alaska Native Claims Settlement Act - ANCSA).

The agreement settles two lawsuits between Eklutna, Inc., and the federal government which affect ownership of a significant amount of land in the northern portion of Chugach State Park, in the Eklutna Village/Edmonds Lake area, in and around Palmer Hayflats State Game Refuge, and in the area of the Jim and Swan lakes north of the Knik River. While the lawsuits are between Eklutna and the federal government, the lands involved has been selected by the state, and - without this agreement - legal intervention would be required by the state to protect its interests in these lands.

NALA establishes the future interests of all three parties in certain military lands in the north Anchorage area if and when those lands are surplus by the federal government. Through this agreement 27,000 acres of Native selected land within Chugach State Park are returned to the public for its use. All Native-selected lands within the Palmer Hayflats State Game Refuge are maintained in public ownership as are 11,360 acres of land with high public recreational and wildlife habitat values in the Jim and Swan lakes area. Regional transportation interests - such as rights-of-way for the Knik Arm Crossing, lands for a new floatplane base, and land for a new railroad yard and protection of existing railroad lands - are provided for in the agreement.

NALA was signed by all parties and submitted to the Secretary of Interior on March 15, 1982. Two conditions must be fulfilled before the agreement is effective: approval by the Commissioner of the Department of Natural Resources (which occurred on March 25, 1982) and approval which must occur before July 1, 1983, by the Alaska Legislature. Approval of the agreement by the legislature will bind the Federal government and the signers of the agreement to its terms.

The agreement is considered by all parties to be the best, and perhaps the only, opportunity to settle in one comprehensive action a variety of longstanding disputes and conflicts. Both Eklutna, Inc., and the state believe the risks of continuing the lawsuits - which usually results in a winner-takes-all solution - are simply too great not to resolve these issues at this time. The provisions of Section 1425 of ANILCA are unique in that they allow the federal government, through the rewriting of excess property laws regarding portions of Fort Richardson and Elmendorf Air Force Base, to contribute to the solution of these land conflicts. Additionally, the agreement provides a unique opportunity for the Municipality of Anchorage to obtain

necessary community service and community expansion and development lands that it might otherwise not have been able to receive.

Military Land

The agreement in no way prevents or inhibits the Federal government from continuing the military mission in Alaska. Instead, it provides for future allocation of existing military land in the event that it, or portion of it, is declared excess to Department of Defense needs in the future. Approximately 41,200 acres of military land are involved in the agreement.

Certain areas, which in the agreement are specified as public interest lands will be transferred to the state. These include the Eagle River Flats (as wildlife habitat); a large tract south of Eagle River and east of the Glenn Highway (as a key winter range for moose); a corridor of land extending upland 200 feet from the line of ordinary high water of each bank of Eagle River (as a public greenbelt); 160 acres at either Clunie or Six-Mile lake (for a future floatplane base); and as much as 1,000 acres from an area south of Eagle River (for mass or bulk transportation purposes - probably a railroad yard to allow for relocation of the existing Alaska Railroad facility at Ship Creek. Also conveyed to the state will be other interests including the existing Alaska Railroad right-of-way and the right to realign the track if needed (Note: In the event the Alaska Railroad is not transferred to the state, these rights will remain with the federal government.); the rights-of-way for a Knik Arm crossing and as many as three 300-foot-wide approach roads; and any rights-of-way for streets or highways existing and maintained or constructed and maintained by the state on former military base lands.

An additional "floating" 3,000 acres of public interest lands will be conveyed to the Municipality of Anchorage for schools, police stations, libraries, local parks and recreational facilities, greenbelts and other municipal purposes. In the event any of these lands produce income - such as fees for lease of airport lands - then Eklutna, Inc., will be entitled to 50 percent of the revenues.

The remaining former military lands will be conveyed to Eklutna, Inc. and the Municipality of Anchorage as tenants in common. These lands are referred to as development lands. Eklutna, Inc., and the Municipality of Anchorage will prepare a land use plan for these lands in the event that an excessing and transfer of military land would occur. The two parties will meet annually to review and update, if necessary, the generalized land use plan. This plan will be used to identify public interest lands and to identify lands which can be conveyed solely to either of the two parties. Each party is entitled to receive as many as 15,900 acres. However, the parties to this agreement think that the actual amount of land they are likely to receive is probably between 6,000 to 8,000 acres each.

Areas identified for development under the generalized development plan will be developed according to a Site Development Plan jointly by Eklutna and the Municipality. The land may continue to be managed by both parties as co-tenants or partitioned with each party receiving full ownership to specific portions of the land.

In lieu of sharing in the development lands in the future, the state receives management rights to approximately 27,000 acres of Eklutna lands selected by Eklutna, Inc., within Chugach State Park. The state will acquire these management rights upon approval of the agreement by the legislature. The state will have the right, in perpetuity, to manage these lands as part of Chugach State Park and in the manner other park lands are managed. All developments contemplated in the existing Chugach State Park Master Plan may occur without the consent of Eklutna, Inc. New developments, not contemplated in the master plan, which would result in the clearing of more than one-half acre of Eklutna owned land would require concurrence of Eklutna, Inc.

The state will receive patent to 80 acres of Eklutna selected land in the upper portion of Eklutna Valley for the development of a campground.

If and when Eklutna, Inc., and the Municipality of Anchorage begin receiving former military lands, Eklutna, Inc., shall deed to the state 4.5 acres of land within the park for every acre of land of former military land it receives; by the time 6,015 acres of former military lands have been conveyed to Eklutna, Inc., the state will have received deeds from the Native corporation for all lands within Chugach State Park (27,000 acres).

Two other parcels of military land are also involved in this agreement: A withdrawal near Goose Bay (southwest of Knik) is approximately 1,280 acres in size and will be conveyed to the state if and when it is exceded by the Department of Defense. The other parcel, 700 acres in size, is located in lower Eklutna Valley and would be conveyed to Eklutna, Inc. if and when it is declared excess. This parcel is surrounded by other land to be conveyed to Eklutna, Inc. under the terms of the agreement.

Jim and Swan Lakes Area

Land involved in this aspect of the Agreement is located within Township 17 North, Range 3 East, Seward Meridian - more commonly referred to as the Jim and Swan lakes area. It is located north of the Knik River and East of the Old Glenn Highway. Land within this area have been tentatively approved to the state, and also selected by Eklutna, Inc. under ANCSA. Eklutna, Inc.'s selection is the subject of litigation to determine whether this land is available to it under the terms of the Act. Several homesteads in the western portion of the area have been conveyed to individuals by the state. The Matanuska-Susitna Borough has selected lands in this same area. Due to a legal dispute over interpretation of a section of ANCSA, the interests of all parties currently are "clouded." Under the terms of this Agreement, the litigation will be settled. The state is not currently a party to this litigation; however, by executing the agreement, the state will invoke the Congressional authority of Section 1425 of ANILCA and bind the federal government to settle in accordance with the terms agreed to by the state and Eklutna, Inc. The state will receive clear title to 11,360 acres of land in this area: the areas homesteaded (thus providing clear title to the original homesteaders) and the land around Jim and Swan lakes which are heavily used by recreationists and hunters from the Palmer and Anchorage areas. Eklutna, Inc., will receive the state's relinquishment of interest to approximately 3,600 acres in the western portion of this area. The state will receive rights-of-way for Plumbly and Maude Roads thus providing public access to state land. The agreements will allow

the Matanuska-Susitna Borough to litigate with Eklutna, Inc., for title to Borough selected land which it claims are valid existing rights under ANCSA.

Mental Health Land

The lands contained within the mental health lands portion of NALA are lands selected by the state under the provisions of the Mental Health Act of 1956, and also selected by Eklutna, Inc., under terms of ANCSA. This conflict in claims has resulted in litigation between Eklutna, Inc., and the federal government. The state is not yet a party to this lawsuit; however, by execution of this agreement, the state will invoke the Congressional authority of Section 1425 of ANILCA and bind the federal government to terms agreed upon by the state and Eklutna, Inc. The state and Eklutna, Inc., agree that terms of this settlement are preferable to continued litigation, and a winner-takes-all solution through the courts.

Under this agreement, the state will receive title to 21,570 acres within legislatively-established Palmer Hayflats State Game Refuge and Chugach State Park. Eklutna, Inc., will receive title to 12,990 acres around its village, in the lower Eklutna Valley, and along Knik River between the old and new Glenn Highway bridges. During negotiation of the agreement, lands involved in this portion of the agreement were classified (to help determine what type of land each party would receive) as developable, mountain or steep slope, or marsh

An area in dispute downstream of the Knik River bridge was identified as a key gravel recharge area. Because of potential high value of this area - due to its ability to supply gravel on a sustained-yield basis for construction in Anchorage - the gravel interests in these lands will be split equally between the state and Eklutna, Inc., with actual title to the land to be conveyed to the state. Under the agreement, the state and Eklutna, Inc., will jointly prepare a mining plan of operation using professional engineers. The plans must insure that gravel removal operations do not damage the highway bridge or streamfront lands in the area.

Other Provisions of the Agreement

Navigable Waters: The agreement in no way affects current affairs concerning the status of waterbodies being determined navigable or non-navigable under applicable law.

The Alaska Railroad: The adjudication of claims - under Section 3e(1) of ANCSA - by Eklutna, Inc., to land controlled by the Alaska Railroad is not affected by the agreement. The Alaska Railroad's interests in the railroad right-of-way and land previously withdrawn for railroad purposes remain unchanged except for the potential for the Alaska Railroad to develop a new railroad yard of 1,000 acres and to realign track on military lands without having to purchase new land or right-of-way.

Other Federal Withdrawals: Section 3e(1) of ANCSA allows Eklutna, Inc., to file land selections on existing federal lands which is being used by a federal agency. The Secretary of Interior is then required to review the land and determine what portion was actually used by the federal agency in 1971. If land is determined not to have been used by the agency then it will be made

available for conveyance to Eklutna, Inc., under ANCSA. Section 1425 of ANILCA allows specification as to which of the parties to the agreement will receive lands retained by the federal government under the Section 3e(1) process should they be declared excess to holding agency needs at some time in the future. Under this agreement the State would receive all such lands except for certain parcels in the immediate vicinity of Eklutna Village which would be conveyed to Eklutna, Inc.

Cook Inlet Region, Inc.'s (CIRI) Interest in Subsurface Lands in Chugach State Park: Under the terms of the agreement, CIRI will remain as the owner of the subsurface estate of land included within the management agreement between Eklutna, Inc. and the state. However, if desired, CIRI may move its subsurface ownership to former military lands as Eklutna gains title to those lands. This opportunity is solely at the discretion of CIRI.

Public Access to Eagle River and Thunderbird Falls: Under the agreement, the state receives an option to purchase six tracts of land and a conservation easement along Eagle River where Eklutna, Inc., has received patent to land. The state is also granted an option to purchase land (now owned by Eklutna, Inc.) upon which a parking lot was constructed some years ago for users of the trail to Thunderbird Falls. The parcels shall be purchased by the state through an exchange of land with Eklutna, Inc. The state's option to purchase is assignable to the Municipality of Anchorage. Both state and municipal land suitable for the exchange have been identified from land in Chugach State Park and municipal land near the Eagle River Correctional Facility. An arbitration procedure for resolving disputes over land values is provided for in the agreement.

Attend !?

NOV 15 1982

November 5, 1982

Bette Fahrenkamp
4016 Evergreen
Fairbanks, Alaska 99701

Dear Senator Fahrenkamp:

One of the most important issues concerning land use in the Mat/Su Anchorage areas that will be considered during the upcoming legislative session is the North Anchorage Land Use Agreement. The outcome of this agreement will impact, either positively or negatively, the future of much recreational land within and immediately adjacent to the Mat/Su Borough.

On March 15, 1982, Eklutna, Inc., the native corporation which obtained land within Chugach State Park under the Alaska Native Claims Settlement Act, agreed to exchange its park lands for state rights to Fort Richardson lands which are expected to be surplusd by the federal government. The agreement, already accepted by the Alaska Department of Natural Resources, Municipality of Anchorage, and Eklutna, Inc., must still be approved by the state legislature. Legislative approval was made a condition precedent by the terms of the agreement.

Acceptance of the North Anchorage Land Use Agreement by the state legislature will affect the Mat/Su Borough by:

1. Resolving questions of land ownership in the Jim/Swan Lakes area.
2. Provide expansion of the Palmer Hay Flate State Game Refuge.

Both of these areas are of critical importance to Mat/Su Borough residents for recreational use.

Agreement acceptance is also critical to access for the north portion of Chugach State Park, the Knik River and Eklutna areas, immediately adjacent to the Mat/Su Borough. These two areas are probably of the greatest importance and interest to Mat/Su Borough residents of any areas in the park.

An additional concern is that without legislative acceptance of the Agreement, problems with the orderly and timely transfer or purchase of the Alaska Railroad will be encountered.

The Citizens Advisory Board of Chugach State Park feel that the North Anchorage Land Use Agreement is of such importance to the Park that we have called a special meeting of the Board. The terms and conditions of the Agreement will be presented by a state Department of Natural Resources representative, a representative of the Municipality of Anchorage, and a representative of Eklutna, Inc. All these representatives will be people who have been actively involved in the formulation of the Agreement.

(over)

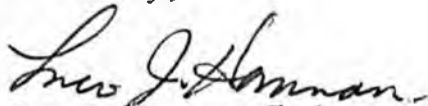
You are invited to attend and participate in this special meeting. As an elected official your attendance is very important. We hope to see you at the meeting, however, if you cannot attend perhaps a member of your staff will represent you? A document containing all the important points of the Agreement will be provided at the meeting. This document should prove invaluable in assisting you in making a decision later when the Agreement is brought before the legislature for consideration.

The meeting will be held on November 17, 1982, at 9:00 a.m., Room C122 Federal Building, Anchorage.

If there are any other questions that arise before the meeting, please call the secretary, Chugach State Park, 279-3413. Will you also confirm your attendance/non-attendance at the meeting with the secretary.

Thank you for your time and consideration in this matter.

Sincerely,



Leo J. Hannan, Chairman
Chugach State Park
Citizens Advisory Board

(1) Attachment/Data Sheet, Chugach State Park
Citizens Advisory Board

LJH:dmh

DATA SHEET
CHUGACH STATE PARK CITIZEN'S ADVISORY BOARD

The Chugach State Park Citizen's Advisory Board was organized in January of 1979. The purposes for which the Board was organized are:

1. To provide a forum for the collection of public opinions and recommendations on matters relating to Chugach State Park;
2. To promote thereby, the protection of the resources of Chugach State Park, including its scenery, vegetation, wildlife, soils, waters, wilderness zone and outdoor recreational opportunities;
3. To enhance communication between the park visitor and the park administrator;
4. To inquire into matters of community interest relating to Chugach State Park;
5. To make recommendations to the Director of the Division of Parks related to public concerns on statewide park policies and goals;

The eleven member Board has been meeting once a month since it was established. Board members not only represent a broad spectrum of park user groups, such as, the Nordic Ski Club, Mountaineering Club of Alaska, and the Izaak Walton League, but also neighboring residential areas, such as, Hillside, Eagle River and Chugiak. The Board members possess a deep sense of concern for the prudent management of one of the largest State Parks in the United States. A park which is located adjacent to two population centers, the Mat-Su Valley and the Anchorage Area. A park in which each of them have recreated extensively and in which the groups they represent on the Board have vested outdoor recreation interests.

The Advisory Board has served as a public sounding board for Chugach District policies and programs. The District Superintendent has grown dependent upon their critique of draft policies and programs in order to formulate fair and workable park management tools. The Board has also defended park policies under attack in the public forum and acted as a mitigating force in conflicts between user groups. Most noteworthy, the members of the Board have formed the Chugach State Park Trail Maintenance Association. This volunteer organization was responsible for opening approximately thirty miles of overgrown trails in Chugach State Park for public use. This service was provided with minimal guidance from the District Staff and no expense to the State of Alaska. The Chugach Citizen's Advisory Board is a first rate team of concerned citizen's of uncommon recreation interests, banding together to further a common interest; "Taking care of their State Park."

Clubs and organizations represented on the Citizen's Advisory Board:

1. Nordic Ski Club of Anchorage
2. Mountaineering Club of Alaska
3. Alaska Center for the Environment
4. Izaak Walton League
5. Sportsmans Game Preservation Association
6. Eagle River Community Council
7. Audubon Society, Anchorage Chapter
8. Knik Kanoers and Kayakers
9. Alaska Native Plant Society

Analysis of
 Mental Health Land Settlement
 in the North Anchorage Land Agreement

	Land to Eklutna, Inc.	Land to State	Total by Type of Land
"Development" Land	2,980 acs. 79%	800 acs. 21%	3,780 acs. 11%
Mountains/ Steep Lands	3,410 acs. 18%	15,170 acs. 82%	18,580 acs. 54%
Marsh/ Wetlands	6,600 acs. 54%	5,600 acs. 46%	12,200 acs. 35%
Total All Types	12,990 acs. 38%	21,570 acs. 62%	34,560 acs. 100%

Allocation of Military Land

if and when exceeded as provided in
The North Anchorage Land Agreement

100%	25.2%	17.9%	Fixed Public Interest Land a) moose/mtn 3,789 acs. d) float planes 160 acs. b) river flats 2,272 acs. e) R/R yard 1,000 acs. c) river corridor 170 acs.	7,391 acs.
74.8%	7.3%	7.3%	Public Interest Land (to be determined)	3,000 acs.
37.4%	37.4%	37.4%	Eklutna, Inc.	15,404.5 acs.
37.4%	37.4%	37.4%	Municipality of Anchorage	15,404.5 acs.
				30,809 acs.
				10,391 acs.
				41,200 acs.

NOTE: This table does not include military lands at Goose Bay (to go to state) or military lands in Eklutna Valley (to go to Eklutna).



Eklutna Inc. President Dan Alex calls the land agreement fair

State, Eklutna reach historic lands pact

by Ralph Nichols
Times Writer

The future of thousands of acres of Southcentral Alaska land, held in limbo by a complex land dispute, has been decided by an agreement that may shape the growth of Anchorage in decades to come.

The settlement, which involves 116,500 acres, was disclosed in a joint statement issued Friday by Gov. Jay S. Hammond and Mayor Tony Knowles.

The agreement was submitted to the Legislature Friday for approval. Under the agreement:

- The Eklutna native corporation, the state and the Municipality of Anchorage would divide ownership of 41,000 acres now held by Fort Richardson and Elmendorf Air Force Base — but only if the federal government someday relinquishes its title. Much of that land, which stretches north to the Knik River, is considered prime development acreage.

- The Reagan administration is evaluating the possibilities of declaring some federal lands — including Anchorage's two military reservations — surplus.

- The state and Eklutna settle long-standing disputes over land both parties selected from the federal government.

- The state gains management control of 27,000 acres of Eklutna land in Chugach State Park. The

state would later assume title to the property if the military land is made available for selection by Eklutna and state and local governments.

Hammond said he considers the agreement "the best and perhaps as the only way to settle a variety of longstanding land ownership disputes and conflicts in one comprehensive action."

The settlement was reached under a section of the Alaska Lands Act, which set a March 15 deadline for the parties to file an agreement with the Department of Interior. It will go into effect if the Legislature ratifies it by or before July 1, 1983.

It paves the way for a parceling of lands in the northern areas of Fort Richardson and Elmendorf Air Force Base if, in the future, they are declared surplus and pass from federal control.

Long-standing conflicting legal claims by Eklutna and the state over native and statehood settlement rights were also resolved by the agreement. It decided ownership of land north of the Knik River, in North Anchorage and the Chugach State Park, and on acreage held in trust for state mental health programs.

Knowles called the agreement a "historic" action that embodies both individual and public benefits. "It provides for rational, open direction in the event of unknown, future fed-

(See LANDS, page A-4)

ANCHORAGE TIMES, APRIL 3, 1982

Eklutna Inc. President Dan Alex calls the land agreement fair

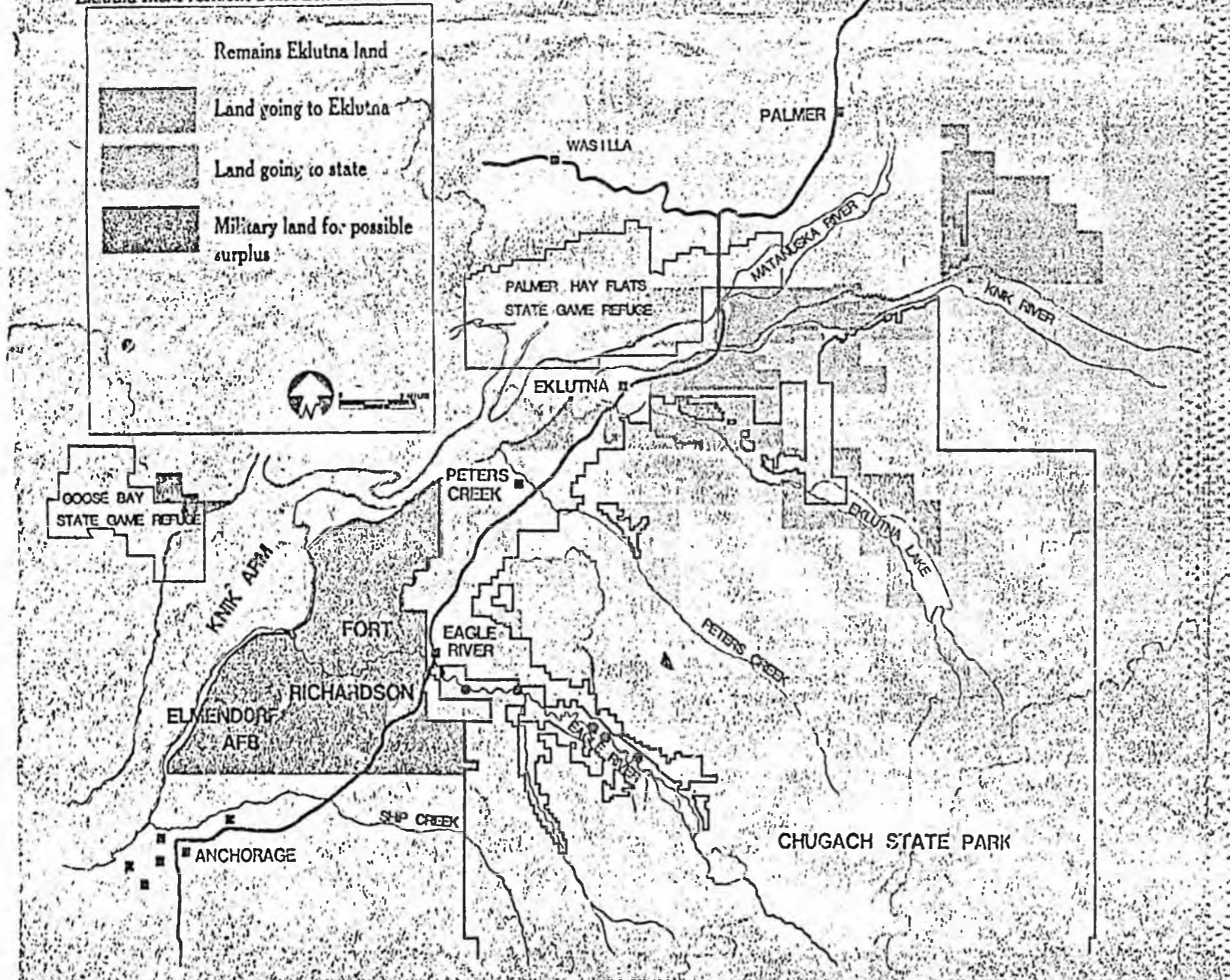
Ludwig Loeb of The Times

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(See LANDS, page A-4)



This chart indicates public lands in north Anchorage selected by the state and Eklutna Inc. under an agreement reached March 15

Lands

(Continued from page A-1)

eral land actions," Knowles said.

Hammond said the agreement is "a fair and logical solution to the complex issue of land management in North Anchorage."

The governor praised Knowles, Eklutna Inc. president Dan Alex, and Department of Natural Resources commissioner John Katz for reaching this agreement. "It's a good solution for all the parties involved," he said.

Hammond noted that the Eklutna settlement was made possible by the Alaska Lands Act, which requires the federal government to contribute land for outstanding native claims, and also to provide land for municipal expansion and state management objectives.

Alex said the agreement "is the best the differing parties could get . . . there are some things that I'm not comfortable with, but as a whole it's fair."

When asked why the corporation exchanged acreage in Chugach State Park for speculative rights to military land, Alex said "I expect a portion of the fort to come out and I expect different things to fall into place."

In the meantime, he said, Eklutna has plenty of land to develop "for many years . . . we're not going to overbuild and overcrowd the market."

The details:

— The municipality and Eklutna would receive 17,000 acres each of military land. The state would be given title to another 7,000 acres of Fort Richardson for wildlife habitat

and future transportation needs, including a proposed Knik Arm crossing and Alaska Railroad rights-of-way.

— Eklutna would have sole title to land around Eklutna Village and the lower Eklutna River Valley, Eklutna Flats, land in the Birchwood area and along the Knik River between the old and new Glenn Highway bridges.

— Eklutna and the state would have joint rights to gravel in the upper Knik River.

— The state would receive management rights "in perpetuity" to certain Eklutna lands in the Eklutna Lake, Thunderbird Creek, Hunter Creek and Peters Creek areas of Chugach State Park.

The agreement also provides that for every acre of military land Eklutna may eventually receive, it would give the state title to 4½ acres of Eklutna's native claims land in Chugach State Park. That land, in the interim, will be under state management.

This would restore public use of all 27,000 acres of Eklutna land in Chugach State Park previously selected by the village corporation.

— The state would take title to land previously claimed by Eklutna in the Palmer Hay Flats state game refuge area north of the Knik River, on the Knik River between the Glenn Highway bridge and the Knik Glacier, and in the Jim and Swan Lakes area.

The agreement settles out-of-court two legal cases involving Eklutna and the federal government. One case involves the question of whether Eklutna could claim state mental health trust lands; the other whether the corporation could claim certain lands from non-contiguous

townships in the Jim and Swan Lakes area.

State parks director Chip Dennerlein, principle negotiator for the state, called the Fort Richardson section of the agreement "a calculated gamble on the part of all parties."

He said three factors caused them to focus on the military reservation:

— Until 1941, when the Department of Interior transferred this land to the Army, it was the Eklutna Indian Reserve. That former status gives the native village a traditional claim to this area, Dennerlein said.

— Congress, in the Alaska lands act, recognized that Eklutna "had tremendous problems" selecting its land under the Alaska Native Claims Settlement Act because of its location between two populated areas.

Furthermore, he added, under the Alaska lands act, Congress protected federal parks from native selection while leaving state parks — including Chugach, Alaska's second largest state park and the backyard of the state's largest population center — open to native claims.

Therefore, by giving Eklutna speculative access to Fort Richardson land, native claims on state park acreage are reduced, Dennerlein said.

— The history of large military bases at the edge of growing population centers indicates "there comes a time when those bases remain full garrisons but can no longer function as tactical training grounds."

Dennerlein said there really wasn't any other way to solve the problem of land claims and needs facing Anchorage, Eklutna, and the state.

This makes the agreement

"worth the calculated risk," he said. "While Congress won't endanger the military presence in Alaska, it has said 'you write the rules and we'll see what happens . . . if and when the time is right (to dispose of Fort Richardson land).'"

Chuck Canterbury, public information officer for Fort Richardson, said "the brigade routinely reviews the land it has . . . but it is pure speculation on their part. I have seen nothing to indicate this land will be surplus soon."

Dennerlein said the agreement is good for the state because "there is no way we could ever restore the public use of (Eklutna lands in Chugach State Park) in a populated area like this if they were developed for private use."

It benefits Anchorage, he continued, because the municipal government has now established its right of access for development of this unimproved land if the federal government ever releases it.

And why did Eklutna apparently give up so much? Because they have claimed back their traditional lands in the Fort Richardson reserve, while maintaining the right of access and use of the Eklutna land in Chugach State Park that now will be managed by the state, he said.

Furthermore, said Dennerlein, if in another century Eklutna still doesn't occupy Fort Richardson land, it will be entitled to reclaim for its private use the Chugach parkland.

What Eklutna has gained, both Hammond and Knowles noted, is an equal claim with Anchorage to military lands, and the right to participate in the land management planning effort for this land, and 12,000 acres of land including almost 3,000 acres of developable land, as well as share of the gravel recharge areas adjacent to the Knik River.

Anchorage Daily News

98 PAGES

ANCHORAGE, ALASKA, SATURDAY, APRIL 3, 1982

PRICE 50 CENTS

Negotiators arrive at land decision

By STAN JONES
Daily News reporter

The possibility that the U.S. Army will someday give up part of the Fort Richardson Army base has led to an agreement settling the future of nearly 110,000 acres of land at the north end of the Anchorage Bowl.

Unveiled Friday by the municipality of Anchorage, the state of Alaska and the Native corporation Eklutna Inc., the agreement covers 41,000 acres of Fort Richardson, some 27,000 acres of land selected by Eklutna Inc. within Chugach State Park under the Alaska Native Claims Settlement Act, thousands of additional acres of state and Native corporation land, rights of way for the Alaska Railroad should it be transferred to the state, a Knik Arm crossing site and three approaches to it, and a future seaplane base near Eagle River.

"The agreement takes a lot of land in the north part of Anchorage with a variety of problems that would take a great amount of time and weeping and gnashing of teeth and money to solve in the future, and fixes them in

a way that has everybody doing what they do best," said Division of Parks Director Chip Dennerlein, who represented the state in the negotiations.

The agreement springs from a provision of the 1980 Alaska National Interest Lands Conservation Act allowing the city, the state and Eklutna Inc. to determine how to divide up Fort Richardson if Washington, D.C., ever decides to dispose of it. Although Washington has no plans to do so at present, it will be bound by the agreement if it changes its mind.

On the way to carving up Fort Richardson, the three parties also settled a number of unrelated issues, including the disposition of land contested by the state and Eklutna Inc. and two lawsuits the Native corporation had filed against the federal government.

"The agreement requires the federal government to contribute land to settle the outstanding Native land claims and to provide land for municipal expansion and state management objectives," Gov. Jay Hammond

See Back Page, NEGOTIATORS

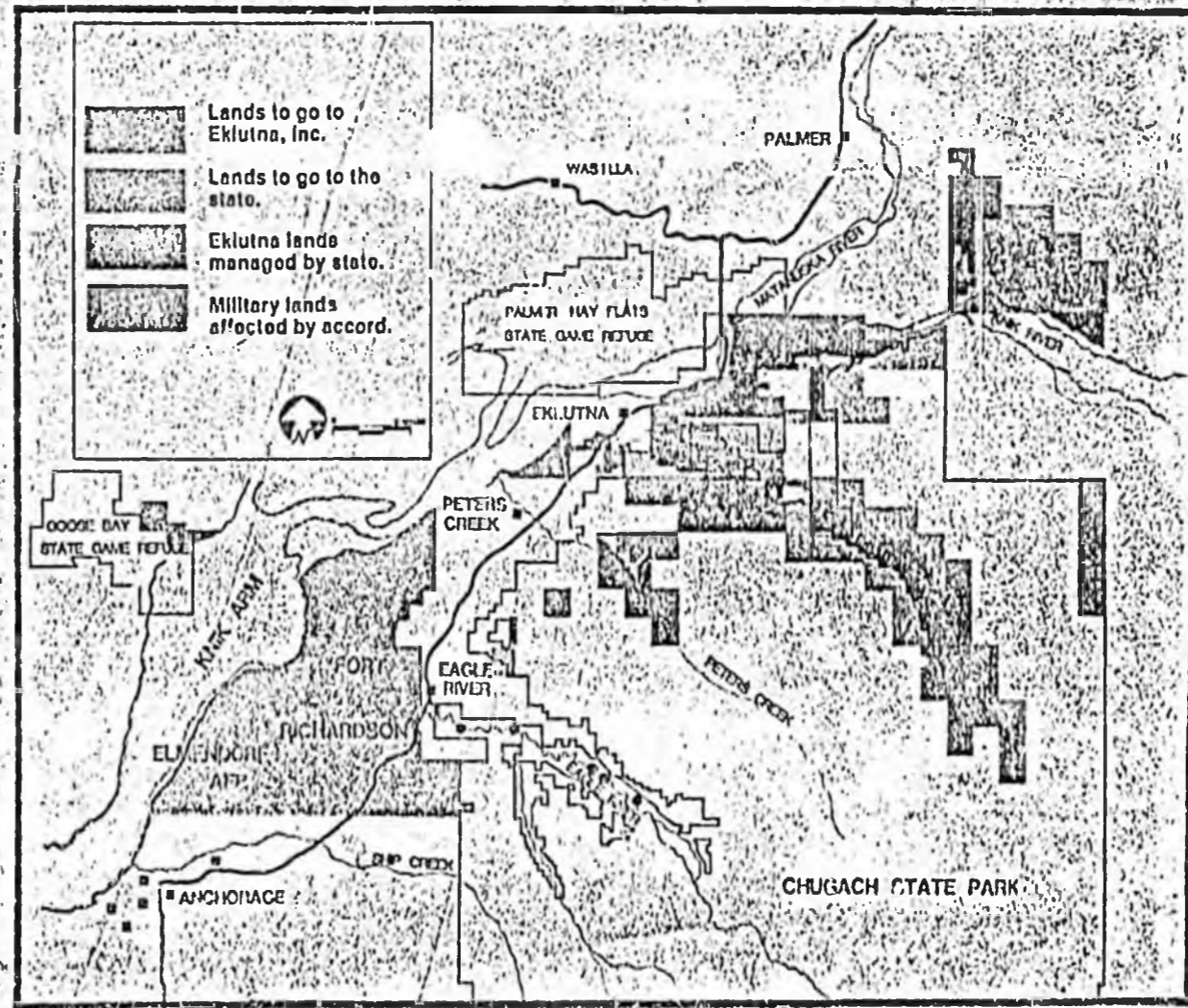


Illustration by John Ray/Anchorage Daily News

ANCHORAGE DAILY
APRIL 3, 1982

Negotiators reach agreement on land

Continued from Page A-1

said in a statement released Friday in Juneau. "It's a good solution for all parties involved."

Mayor Tony Knowles said that the agreement "provides for rational, open direction in the event of unknown, future, federal land actions."

One major and immediate effect of the agreement will be to allow the state to take over the management of 27,000 acres of land selected by the Eklutna Inc. within the boundaries of Chugach State Park. Much of the land involved is not only of value as recreational space, but also provides access to other areas of the park.

"If we didn't have the management of these lands," said Dennerlein, "we could write off the north half of Chugach State Park in terms of public use."

Most of the land to be managed as parkland, about 20,000 acres, is in the Eklutna Valley near Eklutna Lake. Other parcels are in the Peters Creek, Little Peters Creek, and Meadow Creek areas, Dennerlein said.

Although the state would immediately receive authority to manage the lands, it would not acquire title until lands from the military base became available to replace the parklands Eklutna Inc. would transfer to the state.

Even if the transfer of the military base is long delayed, the state's management authority will continue, as the agreement is without a specific time limit.

The agreement would provide the municipality with 3,000 acres of community service lands and half of any surplus lands from the military base up to a total of 15,900 acres.

Eklutna Inc. would be entitled to the other half of any military surplus lands, up to 15,900 acres, half of the revenue from public service lands established by the agreement, 3,600 acres north of the Knik River, and 12,990 acres of land — about 3,000 of which are considered potentially developable — in the area of Eklutna village. In return, Eklutna Inc. will drop two lawsuits against the federal government that had tied up some of the lands now to be transferred to or managed by the state.

The agreement commits the municipality and Eklutna Inc. to cooperate in developing a general land management plan for north Anchorage.

The 41,000 acres of military land covered by the agreement start at Ski Bowl Road, according to Dennerlein, and run north to just south of the Birchwood Airport. Before the military base was established during World War II, the land had been part of the Eklutna Indian Reserve, Dennerlein said.

It is not likely that the entire 41,000 acres would ever become available, he said. The parties to the agreement think that about half of it is a more likely figure if any is ever declared surplus by the federal government.

Under other provisions of the agreement, the state

would receive:

- 21,570 acres within the Palmer Hay Flats Game Refuge, Chugach State Park, at Edmonds Lake, and along the Knik River;

- 11,360 acres north of the Knik River and considered of high value for fisheries, wildlife and public recreation;

- Rights of way for the Knik Arm crossing and three alternative approaches;

- 2,500 acres on the Eagle River flats and a 500-foot corridor along the river within the military reserve as public interest land;

- 3,840 acres of moose habitat within the military reserve as public interest land;

- 1,280 acres at Goose Bay;

- A 200-foot corridor for the Alaska Railroad if it is transferred to the state;

- Either Clunie or Six-Mile Lake and 160 adjacent acres to develop a floatplane base;

- 1,000 acres for transportation uses, possibly as a railroad yard;

- 80 acres for a campground near Eklutna Glacier;

- 150 acres in the Eagle River Valley for public recreation;

- Rights of way along Plumbly and Maude roads across Eklutna lands, and

- A gravel site, along the Knik River that is constantly replenished with material washed downstream by the river.

The agreement has been submitted to Interior Secretary James Watt for his concurrence and to the state legislature, which must ratify it by July 1, 1983, in order for it to take effect.

ANCHORAGE DAILY NEWS
APRIL 3, 1982

ANCHORAGE TIMES
APRIL 7, 1982

Stevens sees no land shift in near future

Sen. Ted Stevens said Tuesday he doesn't see "any possibility that in the foreseeable future there will be any land" transferred from the federal government to the state at Fort Richardson.

Eklutna Native Corp. selected in an agreement with the state last week Fort Richardson reservation lands for its private ownership if the federal government ever turns the property over to the state.

The Municipality of Anchorage is on equal footing with Eklutna in any future claim to the military lands, while certain areas there would be reserved for the state for transportation and game refuge uses.

But, said Stevens, "I know of nothing" to indicate the federal government will give up title to the military reservation north of the Elmendorf Air Force Base and Fort Richardson complexes.

"We looked at the lands the military had in relation to the Alaska Lands Act to see if any were not needed, and none fell (from federal ownership)," he said.

(See STEVENS, page A-4)

Stevens

(Continued from page A-1)

"On the contrary," he added, "we are building up the use of these reservations. I can't imagine anything different now."

But, continued Stevens, "forever is a long time. If there is a period of long peace or changes in military concepts, these people (Eklutna)

have a commitment forever to the federal government."

However, even small land transfers of Fort Richardson land to Eklutna and Anchorage that might happen someday "are way down the line," Stevens said.

Stevens' Senate colleague, Frank Murkowski, R-Alaska, also said this week he does not expect the military to yield any of its land near Anchorage.

EDITORIAL PAGE

The Anchorage Times

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Managing Editor

Page A-10

Monday, April 5, 1982

Eklutna land swap

AT THE OUTSET, it needs to be said that local and state government leaders should strongly emphasize there is no pressure whatever on the military establishment to curtail its mission in Anchorage or Alaska. Everything should be done to encourage and assist Army and Air Force leaders to continue to think of this as headquarters of America's northern defense forces.

With that firmly in mind, there is reason to believe that a fair deal was struck last week as the federal government, the state, the municipality and the Eklutna native corporation reached an accord designed to resolve a number of complex land questions that could have entailed years and years of costly and debilitating legal actions.

THE AGREEMENT outlines a number of land swaps between the state and Eklutna, Inc., and provides for the state to assume immediate management of 27,000 acres of Eklutna land within Chugach State Park with the prospect of eventual title to the land.

The big item involves the ultimate use of 41,000 acres of land now part of the Fort Richardson and Elmendorf military reservations. If and when this particular chunk of the military reserve is declared surplus to Army or Air Force needs, it will be divided

equally between the Eklutna village corporation and the Municipality of Anchorage.

This may not happen for years. Or it may never happen. Should military needs change, however, and this area of the military reserve be declared surplus to federal needs, the framework will be in place for orderly transfer of the land.

The ultimate use, obviously, will be for private development — primarily for housing needs as Anchorage continues to grow.

THE EKLUTNA natives already are involved in a successful housing development just off the Glenn Highway between Peters Creek and Eklutna. The opportunity to expand into nearby areas should land become available sometime in the future is clearly an economic prize worth waiting for.

For the municipality, too, the prospect of eventually making more land available for private development has an enormous attraction. Not from a money-making standpoint, but rather to provide future generations with space to grow.

All of this, however, is secondary to the vital concerns that the military remain a strong and active partner with the civilian community in Anchorage and Alaska.

Military holds key hand in land swap game

by Dave Carpenter
Times Writer

It was a high-stakes game of lands "poker" when the city, the state and the Eklutna native corporation hashed out an agreement last month involving 116,500 acres in Southcentral Alaska.

But it's a bystander — the military — who will determine the outcome. And top local brass for both the Army and Air Force say they have no intention of calling the players' hands by determining the fate of their Anchorage property.

"At the moment, we know of no reason to excess (declare as surplus) any more (of Fort Richardson)," Army Gen. Nathan Vail said in an interview in his office last week.

Air Force Lt. Col. Floyd McKee echoed those sentiments for Elmendorf acreage: "This is just about the bare minimum that we need to carry out our mission and training."

However, the player gambling the most on the military's declaring the land surplus — Dan Alex, president of Eklutna Inc. — is counting on that happening when technology changes the military mission sometime in the 21st century. And Vail won't rule that out.

"The last chapter of this one," said Chip Dennerlein, the state's chief negotiator on the lands deal before moving to municipal government this month, "isn't going to be written until the 21st century. . . . It (a surplus declaration) is something that isn't going to happen tomorrow but it certainly could happen."

The risks taken by the three players, assuming the Legislature

ratifies it by July 1983, are these:

- The state gains management rights to federal lands long contested by Eklutna in two legal cases, but not fee title unless the military vacates part of its acreage.

- The municipality, anxious to obtain more acreage in order to accommodate rapid growth, also would get 17,000 acres of military land. But the cooperative agreement with Eklutna in effect means it is pinning all its hopes on the military in order for a chance at unimproved federal lands in the area.

- Eklutna Inc. hands over management control of 27,000 acres in Chugach State Park — traditional Indian lands — to the state in hopes that the military surplus will occur.

Such a declaration would give the native firm 17,000 acres of prime acreage stretching north to the Knik River; sole title to land around Eklutna Village and the lower Eklutna River Valley, Eklutna Flats, land in the Birchwood area and along the Knik River between the old and new Glenn Highway bridges; and shared rights with the state to gravel in the upper Knik River.

"If that fort does get surplused, they're going to end up having paid something for nothing," said Dennerlein. "Eklutna's taking a very big risk — it's a gutsy move on Dan's part — but I think it was a good risk for them to take. . . . Also, they have some other properties to develop, closer in."

Military land involved totals 41,000 acres in the northern portions of the two bases — more than half the total acreage at Fort Richardson (61,500) and Elmendorf (13,000).

Vail and McKee both agreed there's little chance the land will be disposed of in the next quarter-century. But after that there's no telling what will happen.

"Sure, it's a gamble," said Alex, "but there's logic there. I don't know that the garrisons will ever come out of the military bases, but all the lands won't be necessary."

His theory, based on past experience as a Navy geophysicist in Washington, D.C., is this: Satellite technology already is significantly limiting ground war techniques, and further advancements will change the military's fighting methods and make property more expendable.

Alex said he has bounced the theory off Pentagon officials and other military experts and found no one who will discount it.

Vail, who expressed disappointment at having been left completely in the dark about the lands talks, said he has no information to refute the native corporation executive's theory.

"That's kind of a futuristic look,

and it could well be on track," said the commanding officer of Fort Richardson, which holds most of the military land cited in the agreement.

The local military does have a history of making surplus declarations.

Thirty-five years ago, Fort Richardson lands — including what is now Elmendorf — totaled 160,000 acres. Today it's down to 61,500 acres — 59,000, figuring in the pending surplus declarations for one-time Nike missile sites at Site Point and Site Bay.

In April 1978 a private Colorado consulting firm, Robert G. Muler and Associates, found that the acreage now available at Fort Richardson is the "bare bones" minimum for providing adequate training. And it said that in an "emergency situation," involving expansion to accommodate reinforcements, the post would have a 50,000-acre shortfall of training lands.

"Anyone can walk out on this post and single out an acre or two that

are not being used, and they're probably right," said Vail. "But the land is necessary on the whole for training readiness."

What about Moose Run golf course, sizeable recreation areas and other property apparently not used for training?

"Yes, we do have recreation areas," said Vail. "I'll be the last commander who will give them up. They're vital to the health, morale and well being of this community."

Besides, he added, the area would be inappropriate for wilderness training if every acre were in use.

So with all the "bets" down, it's clear that military officials of the future, not the present, will decide this one.

"It is sort of a poker-playing situation," said Dennerlein. "But if I had to play poker on this and bet on the odds, I'd bet that there's going to be a time in the not-too-distant future when the Army just isn't going to be out there maneuvering tactically and might be willing to give up the land."



DAN ALEX
Sure, it's a gamble



GEN. NATHAN VAIL
Says fort needs its land

with Anchorage
and Agreement

CONTRACT

This Agreement is made March 15, 1982, between the State of Alaska, ("State"), the Municipality of Anchorage ("Municipality") and Eklutna, Inc. ("Eklutna") pursuant to the provisions of Section 1425 of the Alaska National Interest Lands Conservation Act, 94 Stat. 2371, ("ANILCA"). This Agreement is subject to the following two conditions precedent ("the conditions precedent"):

conditions
precedent

- (a) Approval by the Commissioner of the Department of Natural Resources of the State ("Commissioner"), and
- (b) Approval by the Legislature of the State.

Upon the occurrence of each of these conditions precedent, the Commissioner shall notify the Secretary of the Interior ("Secretary") in writing. If the Commissioner notifies the Secretary that he cannot approve the Agreement or if the Commissioner has not notified the Secretary that these conditions have occurred prior to July 1, 1983, the parties agree to relinquish their interest in land created by virtue of Section 1425 of ANILCA and this Agreement and direct the Secretary to terminate the withdrawal made by Section 1425(b) of ANILCA and to authorize all federal agencies to administer the land formerly withdrawn by Section 1425(b) pursuant to applicable federal law. The approval by the Commissioner cannot be revoked by that Commissioner or any successor or commissioner.

purpose

The purpose of Section 1425 is to provide for the settlement of certain claims and litigation, and in so doing to consolidate ownership among the United States, the State of Alaska, the Municipality of Anchorage, and Eklutna, Inc., thereby facilitating land management, a fair implementation of

Note: rotations within the left hand column are not part of the agreement. They have been added after the signing of the agreement to help reference specific

the Alaska Native Claims Settlement Act, the protection of State public park lands and resources, and appropriate development patterns in and about Anchorage, Alaska.

lands subject to agreement shall not be encumbered

The parties agree that they shall not alienate, transfer, assign, mortgage, or pledge lands subject to this Agreement or grant use permits in such lands, or permit development or improvement on such lands prior to July 1, 1983, or the notification by the Commissioner that the conditions precedent have occurred, or the notification by the Commissioner that he cannot approve the Agreement (whichever date is first), without the prior written consent of the parties.

amendments

This Agreement may be modified or amended only by written agreement of all the parties. This Agreement contains a number of self-executing provisions. The parties agree that these shall not in fact become self-executing until the occurrence of the second to occur of the two conditions precedent.

Military Lands

Section I of this Agreement provides for the disposition of the lands withdrawn by Section 1425(b)(1) of ANILCA and for the relinquishment of certain selections and the conveyances of certain lands to the State by Eklutna.

T17N, R3N lands litigation

Section II of this Agreement provides for the disposition of lands located within Township 17 North, Range 3 East, Seward Meridian which are the subject of litigation in the case of Eklutna, Inc. v. Andrus, A78-24 Civ., U.S.D.C. Alaska, as authorized by Section 1425(c) of ANILCA.

mental health lands litigation

Section III of this Agreement provides for the relinquishment of certain selections by the State and Eklutna in order to settle and resolve their differences concerning those lands selected by the State under the authority of the Mental Health Enabling Act of 1956 (70 Stat. 709) which are the sub-

ject of litigation in the case of Eklutna, Inc. v. Andrus, A78-192 Civ., U.S.D.C. Alaska. This portion of the Agreement is authorized by Section 1425(f) of ANILCA.

misc. provisions
Section IV of this Agreement contains miscellaneous provisions concerning the relationships between and among the parties which do not affect the conveyance of lands by the Department of the Interior.

I.

DISPOSITION OF LAND WITHDRAWN BY SECTION 1425(b)(1) OF ANILCA

disposition of military lands and other federal withdrawals subject to sec. 1424(b)(1)
A. For the purposes of this Section I, the parties agree that Section 1425(b)(1) of ANILCA withdrew the following lands located within Townships 18 North, Ranges 1 and 2 East, and Ranges 1 and 2 West; Townships 17 North, Ranges 1 and 2 East, and Ranges 1 and 2 West; Townships 16 North, Ranges 1, 2 and 3 East, and Ranges 1, 2 and 3 West; Townships 15 North, Ranges 1, 2 and 3 East, and Ranges 1, 2 and 3 West; and Townships 14 North, Ranges 1, 2 and 3 East and Ranges 1, 2 and 3 West, Seward Meridian, and provided for their disposition pursuant to this Agreement:

- (1) Lands withdrawn or reserved for national defense purposes; and
- (2) Lands determined by the Secretary under Section 3(e)(1) of the Alaska Native Claims Settlement Act, 43 U.S.C. 1601 et seq. ("ANCSA") not to be public lands for the purposes of ANCSA.

B. The parties agree that upon termination or revocation of any withdrawal or upon a declaration of excess status in whole or in part of lands withdrawn by Section 1425(b)(1), or disposition other than in accordance with Section 1425 and this Agreement, the Secretary shall convey such lands

in accordance with the provisions of Subsections (1), (2) and (3) of this Section.

*submerged lands
not affected*

(1) Submerged Lands. All lands beneath navigable waters as defined in 43 U.S.C. 1301(a) withdrawn by Section 1425(b) shall be conveyed to the State.

(2) Lands withdrawn or reserved for national defense purposes.

lands to state

(a) The lands depicted on the map attached hereto as Exhibit A shall be conveyed by the Secretary to the State of Alaska. The approximate legal description of these lands is attached hereto as Exhibit B. The parties are aware that the depiction on topographical maps of the location of legal descriptions in Alaska may be erroneous and therefore agree that with respect to the Eagle River Flats the map shall be controlling.

railroad lands

(b) The parties are in agreement that the existence of a properly engineered, constructed and maintained rail link between Anchorage and points North is in the best interest of all the parties and therefore intend that the disposition of the existing Alaska Railroad rail line across those lands withdrawn by Section 1425(b)(1) which were withdrawn or reserved for national defense purposes on December 18, 1971, shall be accomplished in the following manner. In the event that Congress adopts legislation authorizing the conveyance of the Alaska Railroad to the State, the Secretary shall convey the lands (fee or easement as the case may be) within 100 feet

either side of the centerline of the Alaska Railroad across lands withdrawn by Section 1425(b)(1) in accordance with the provisions of such legislation. In the event that no such legislation is adopted prior to a conveyance of such lands, the disposition of the rail line across such lands shall be in a manner consistent with the disposition of the rail line crossing other lands conveyed pursuant to ANCSA.

floatplane bases

- (c) The State asserts ownership to the beds of Clunie and Six-Mile Lakes, and of an unnamed lake in the NE4, Section 33, Township 15 North, Range 2 West, Seward Meridian, ("unnamed lake"), pursuant to the provisions of the Submerged Lands Act, 43 U.S.C. 1301 et seq. and Section 6(m) of the Alaska Statehood Act (72 Stat. 343). Should the Secretary determine that any of these lakes are not navigable, the Secretary shall convey the beds of those lakes to the extent they are within the Section 1425(b)(1) withdrawal area to the State. The State, after consultation with the other parties, shall identify 160 acres either around and between Clunie Lake and the unnamed lake, or around Six-Mile Lake for use as a base for airplanes on floats, wheels or skis, by March 15, 1992 or within ninety (90) days of notification by the Secretary that the national defense withdrawal respecting said lands is terminated or upon declaration of their excess status, whichever

occurs first. The State shall notify the other parties thirty (30) days before notifying the Secretary which lands have been identified. The 160 acres identified by the State shall be conveyed to the State by the Secretary.

- (d) After consultation with the other parties, the State shall identify a tract of land, not to exceed 1,000 acres, to be used for mass and bulk transportation purposes south of Eagle River within the following described area:

Township 14 North, Range 2 West, Seward Meridian

Section 16: S2, NE4

Section 17: S2

Sections 19-21: All

Section 30: All

Section 31: N2

Township 14 North, Range 3 West, Seward Meridian

Section 24: S2, NE4

Section 25: All

Section 26: All

Section 35: All

Section 36: All

The State shall identify the tract by March 15, 1992 or within ninety (90) days of notification by the Secretary that the national defense withdrawal respecting said lands is terminated or upon declaration of their excess status, whichever occurs first. The State shall notify the other parties thirty (30) days before notifying the Secretary which lands have been identified.

*mass and bulk
transportation
facility*

*location
of 1,000
acre parcel*

The 1,000 acres identified by the State shall be conveyed to the State by the Secretary.

(e) The parties shall identify 3,000 acres of public interest lands which shall be conveyed to the State for reconveyance to the Municipality pursuant to AS 38.05.315. Upon notification to the Secretary these lands shall be conveyed to the State.

(f) The lands withdrawn by Public Land Order 2787 as amended by Public Land Orders 2834 and 3995 shall be conveyed by the Secretary to Eklutna.

(g) The remaining lands withdrawn by Section 1425(b)(1) which were withdrawn or reserved for national defense purposes on December 18, 1971, shall be conveyed to Eklutna and the State as tenants in common, the State to receive an undivided one-half interest, and Eklutna to receive the surface estate in an undivided one-half interest, unless prior to a conveyance of such lands the State notifies the Secretary in writing that a conveyance of the surface estate shall be made to Eklutna, alone, or Eklutna notifies the Secretary in writing that a conveyance shall be made to the State, alone. In a conveyance to Eklutna and the State as tenants in common, the parties agree that the Secretary may treat the lands as being conveyed pursuant to ANCSA for the purpose of reserving easements under Section 17(b) of ANCSA. For purposes of calculating the acreage to be charged against

3,000 acre of
floating public
interest

military lands
to Eklutna

"Development"
lands to Eklutna
and State (Muni)

Eklutna's or the State's entitlement, a conveyance of an undivided one-half interest (or a surface estate in an undivided one-half interest) in an acre shall be charged as if each party had received one-half acre. The parties agree that the cross reference in Section 1425 of ANILCA to Section 905(c) is a typographical error and should in fact be to Section 905(b).

(3) Lands Determined by the Secretary Pursuant to Section 3(e)(1) of ANCSA not to be Public Lands for the Purposes of ANCSA.

(a) Any lands within the following described areas which are finally determined under Section 3(e)(1) of ANCSA not to be public lands shall be conveyed to Eklutna:

Sections 13, 23, 24, 25 and 26, Township 16 North, Range 1 West, and Sections 18, 19 and 30, Township 16 North, Range 1 East, Seward Meridian.

(b) Any other lands which are finally determined under Section 3(e)(1) of ANCSA not to be public lands shall be conveyed to the State.

(c) The parties agree that the revocation of P.L.O. 5187 and power project withdrawals effected by the filing of this Agreement shall not affect the Secretary's authority to make 3(e) determinations under ANCSA concerning such land. The parties understand that the lands within Power Site Classification 107 within Township 14 North, Range 1 East, Seward Meridian, should be conveyed to the State.

disposition of
lands not public
under 3(e)(1) of
ANCSA

to Eklutna

to State

Eklutna
Powerhouse

Peters Cr. Withdrawal
to State

(d) This paragraph A shall not affect the rights of Eklutna in lands finally determined by the Secretary under Section 3(e)(1) of ANCSA to be public lands.

(e) Notwithstanding subparagraph B(3)(a) of the introduction language to this paragraph B, the parties agree that the Alaska Railroad may become the property of the State of Alaska as an operating entity whether or not first exceded without there being any violation of Section 1425 of this Agreement, to the extent of the lands lawfully determined by the Secretary under Section 3(e)(1) of ANCSA not to have been public lands (including any of the same that may be included in the descriptions in subparagraph B(3)(a)); if lands or interests in lands in Paragraph (a) above are transferred to the State by the United States as part of the railroad transfer, the State will reconvey the land to Eklutna if it ceases to use them in connection with furnishing mass or bulk transportation. For so long as the railroad is in operation, the Secretary shall not convey to Eklutna the lands lawfully determined not to have been public lands.

B. Section 1425(c) provides that the State and Eklutna are authorized pursuant to the agreement contemplated by Section 1425(b), to relinquish one or more land selections whether or not such selections have been previously approved or tentatively approved. Pursuant to this authority, Eklutna hereby relinquishes its selections of the

*Railroad operations
and lands*

*Eklutna Lake
Campground site
to State*

following described lands in order to permit the conveyance of said lands to the State: E2NW4, Section 6, Township 14 North, Range 3 East, Seward Meridian.

*Sec. 907 (ANILCA)
land bank*

Section 1425(c) requires Eklutna to submit to the Section 907 land bank of ANILCA tracts of land of at least equal acreage to that which may be ultimately conveyed to Eklutna under this Agreement from those withdrawn by Section 1425(b). The parties estimate that the lands which may ultimately be conveyed to Eklutna contain approximately 15,900 acres (15,905 acres plus or minus one-half of the amount by the actual acreage withdrawn by Section 1425(b) differs from 41,700).

- (1) Eklutna shall submit to the land bank, pursuant to Section 907 of ANILCA, the lands described on Exhibit C, which shall remain in the land bank until reconveyed to the State or removed by mutual agreement of the State and Eklutna. The parties agree that the terms of the agreement entered into under Section 907(b) shall include the provisions set forth in Section IV L of this Agreement.

*reconveyance
of lands to
State*

The lands shall be reconveyed to the State pursuant to subparagraph (3) below in the order that they are listed on Exhibit C.

*Eklutna to take
title to selections
in Chugach Park*

- (2) Eklutna hereby notifies the Department of the Interior, BLM, that the lands in Subparagraph (1) above are among its highest priority selections and that Eklutna requests immediate conveyances of such lands. Eklutna hereby informs the Secretary that under no circumstances will it relinquish (without prior written consent of the State) these selections

*Eklutna Lake
Bed*

or any other of its A, B, or C selections not relinquished herein. Eklutna agrees that it will not attempt to delay such conveyances or change their prioritization without the prior written consent of the State. The bed of Eklutna Lake shall be excluded from the Secretary's conveyance to Eklutna.

*reconveyance
procedures*

- (3) Upon each receipt of lands by Eklutna from those withdrawn by Section 1425(b), whether to Eklutna alone or to Eklutna and the State as tenants in common, Eklutna shall immediately, but in no event later than ninety (90) days thereafter, convey to the State lands in the land bank according to the order set by subparagraph (1) above and in the amount required by subparagraph (4) below. The deed shall be delivered to the Commissioner to be held in escrow for further delivery to the State upon the expiration of the current term of the land bank agreement. After the delivery of such a deed to the Commissioner, Eklutna's right to withhold consent to actions not inconsistent with the provisions of Section 907 of ANILCA shall cease. Whenever a portion of a section is to be conveyed, Eklutna may choose the lands to be reconveyed, which shall be contiguous to lands owned by the State. Eklutna shall reconvey lands in a fashion rounding out 40 acre aliquot parts before commencing to reconvey in a different 40 acre aliquot part.

*reconveyance
ratio*

- (4) Eklutna shall convey 4.511667 acres to the State from within those in the Section I C land bank for every acre received by Eklutna from those withdrawn by Section 1425(b). The foregoing notwithstanding, when

Eklutna has received 6,000 acres of those withdrawn by Section 1425(b), it shall convey to the State all remaining land in the Section I C land bank other than that in Township 16 North, Range 2 East, Seward Meridian. Eklutna shall convey the remaining land in the Section I C land bank to the State when Eklutna has received 10,000 acres from those withdrawn by Section 1425(b). In each instance of a new conveyance of lands withdrawn by Section 1425(b), the aggregate acreage received to date by Eklutna (including the new conveyance) shall be computed. The aggregate acreage already reconveyed by Eklutna shall also be computed. The aggregate acreage amount required to be reconveyed by Eklutna (by reason of all conveyances including the new conveyance) shall then be computed. The difference between the amount required to be reconveyed and the amount already conveyed shall be rounded to the nearest ten (10) acres, and the resulting balance shall be reconveyed.

II.

LANDS WITHIN TOWNSHIP 17 NORTH, RANGE 3 EAST, SEWARD MERIDIAN

In view of Section 1425(c), the State and Eklutna each reserve the right prior to April 2, 1982, to notify the Secretary by notice to the Alaska State Office, that their agreement to this Section II is revoked.

Section 1425(c) provides for an agreement between the State and Eklutna concerning land within Township 17 North, Range 3 East, Seward Meridian which are the subject of litigation in Eklutna v. Andrus, A78-24 Civ., U.S.D.C. Alaska. The State and Eklutna agree, for the sole purpose of this Section

II that, the public lands as defined in ANCSA located within Township 17 North, Range 3 East, Seward Meridian, shall be deemed to have been withdrawn pursuant to Section 11(a) of ANCSA as of December 18, 1971. The Commissioner, after notification to the Secretary that the conditions precedent have occurred, shall direct the Attorney General to intervene on behalf of the State in the litigation for the purpose of settling the case pursuant to the provisions of this Section. Eklutna hereby relinquishes its selections of the lands described Exhibit D within Township 17 North, Range 3 East, Seward Meridian, in order to permit conveyance of such lands to the State.

The State and Eklutna agree that they shall seek an Order of the Court dismissing A78-24 with prejudice, upon the tender of a conveyance to Eklutna by the Secretary of its remaining selections within the township.

Eklutna and the State hereby jointly request the Secretary acting under Section 17(b)(3) of ANCSA, to reserve the following 60 foot rights of way and no more for ground access to the lands to be received by the State listed on Exhibit D: Plumby Road and Mauds Road.

III.

MENTAL HEALTH LANDS

Section 1425(f) provides for an agreement between the State and Eklutna concerning lands selected by the State under the authority of the Mental health Enabling Act of 1956 (70 Stat. 709) which are the subject of litigation in Eklutna v. Andrus, A78-192 Civ., U.S.D.C., Alaska. The Commissioner, after notification to the Secretary that the conditions precedent have occurred, shall direct the Attorney General to intervene on behalf of the State in the litigation for the purpose of

*State to
intervene in
litigation*

*public access
easements*

*Mental Health
Litigation
Settlement*

settling the case pursuant to the provisions of this Section.

Eklutna hereby relinquishes its selections of the lands described in Exhibit E in order to permit conveyance of such lands to the State.

The State hereby relinquishes its selections of the lands described in Exhibit F in order to permit conveyance of such lands to Eklutna.

The parties agree that they shall seek an Order of the Court dismissing A78-192 with prejudice, upon the tender of a conveyance to Eklutna by the Secretary of the lands relinquished by the State.

IV.

MISCELLANEOUS AGREEMENTS BETWEEN THE PARTIES

A. All lands withdrawn by Section 1425(b)(1)(A) within Townships 14 and 15 North, Ranges 2 and 3 West, Seward Meridian, shall be referred to herein as "military base lands", except those to which the State alone will receive an interest under the provisions of Section I, subsections B(1), (2)(a), (2)(b), (2)(c) and (2)(d) (direct State conveyance lands). The State agrees to convey to the Municipality, pursuant to applicable law, its interest in all military base lands in which the State receives an interest from the Secretary.

B. Pursuant to AS 29.13.210 the Commissioner finds for the purpose of this Agreement that the Municipality does not contain and cannot reasonably acquire sufficient non-federal lands within its boundaries to meet future projected needs for public and private settlement or development. With due consideration to the nature of the public services and functions provided by the Municipality, it is

therefore deemed to be fair and proper and in the best interests of the State that lands to be conveyed to the Municipality under the provisions of Section IV, Paragraph A of this Agreement shall be conveyed irrespective of the value thereof and without monetary compensation or other consideration not provided in this Agreement.

C. The Agreement of Compromise and Settlement referenced in Section 1426 of ANILCA was executed by the Municipality with the expectation of the enactment of Section 1425 of the Act and with the commitment of Eklutna that it would not seek the enactment of Section 1425 unless the Municipality was a necessary party to any agreement negotiated under the authority of Section 1425. The provisions of Section 1425 waiving Section 14(c)(3) of ANCSA as to the military base lands was further enacted solely because the Municipality was to be a party to this Agreement and could protect those interest directly. Section 1425 was further enacted to solve severe land selection problems affecting Eklutna, while protecting and enhancing State public park lands and resources. But for those rights in lands specified in Section Section I B(2)(g) and Section IV A, neither Eklutna, the State, nor the Municipality would participate in the execution of this Agreement.

D. Preparation for Conveyance.

(1) The Municipality and Eklutna are aware that this Agreement provides for common land management planning of uses of military base lands in order that they may respond in an intelligent manner to the State with respect to public interest lands and transportation corridors, and to Defense with respect

Agreement of
Compromise and
Settlement
(Muni/Ek.)

Land Use Plan
for Military
Lands

to interim management. The Municipality and Eklutna shall endeavor to agree to a generalized land use plan as part of their land management plan for military base lands from time to time, in order to be able to respond to these agency requests for views and consents, and in order to be prepared in the event a disposition to them becomes imminent. Neither party is obligated to the other to furnish any particular funds or personnel to such a planning effort without further agreement. The Municipality and Eklutna shall meet at least annually to consider the status of the military base lands at the time, and the currency of any land management plan then existing between them.

- (2) "Public interest lands" as used in this Paragraph D and Section I shall mean not exceeding 3,000 acres of military base lands agreed to be designated as public interest lands upon tender of conveyances by the United States, if not sooner. In addition to sites for needed Municipal improvements and Municipal public purposes, such lands may include margins of waterbodies, waterbodies not excluded from upland survey, marshes and estuarine flats, swamps, and other lands which are generally unsuitable for development by conventional techniques without extensive fill or draining. Either the Municipality or Eklutna may nominate lands for consideration as public interest lands. No lands may be claimed to be unsuitable for development under the meaning of this Paragraph which are uplands unaffected by water tables at or

public interest
lands

near the surface. No lands may be nominated for margins of water bodies beyond 200 feet from the nearest open water. Both the Municipality and Eklutna are entitled to participate in and agree to the nomination. The agreement of Eklutna may not be withheld if less than 9% by acreage of the military base lands has been designated or nominated for this category, and if the lands are in fact not generally suited for development or are required for public improvements or public purposes.

- (3) Except as provided in paragraph E below, the Secretary is urged not to reserve in a conveyance of military base lands to the parties any easement for a State or Municipal facility or for the benefit of the public or a party; such interests will be dealt with by the parties in this Agreement and their land management plan. The acreage of the improved streets and utility easements within the urbanized portion of the military base lands shall not be charged to public interest lands; any disagreement respecting the implementation of this sentence shall be arbitrated.
- (4) Lands designated as public interest lands must be held and managed for public purposes only by the Municipality. In the event that any of these lands are sold, leased or rented, or otherwise put to an income producing use, Eklutna shall be entitled to 50% of the sale proceeds or other net income thereof properly attributable to the land as opposed to any improvements constructed thereon; nothing in this

sentence shall be taken to require sharing of reasonable user fees such as airport landing fees or other usual governmental fees and charges for the use of admittedly public facilities or lands.

(5) Should Title 21 of the Anchorage Municipal Code be amended in the future to require dedications for purposes not now required, such dedications when made shall reduce pro tanto any requirement under the provisions of this Agreement to identify public interest lands with respect to military base lands not yet conveyed to the parties.

(6) The Municipality and the State shall have the right to receive rights of way for trails, roads and utilities prior to the excessing of military base lands. Whichever entity desires the right of way shall consult the other parties to this Agreement before requesting the right of way. Any right of way acquired by the Municipality or the State for a coastal trail, bridge or bridge approach, or similar public use right of way shall count upon their respective entitlements under Section IV D, J and M of this Agreement.

E. Receipt of Conveyances. Upon notice that a conveyance of military base lands to the State and Eklutna is pending, Eklutna and the Municipality shall promptly meet to discuss further management of the lands. The Municipality and Eklutna shall agree on the identification of public interest lands to be conveyed to the State for reconveyance to the Municipality, and shall request that conveyance. The Municipality and Eklutna shall consider the

partitioning of the balance of the property between them as may be agreed, and shall request conveyances on that basis. In connection with any such agreement, the Municipality and Eklutna may make provisions for the dedication of rights of way and other easements following their receipt of conveyances. If the Municipality and Eklutna cannot or choose not to agree on a partition, they shall proceed to manage their property jointly, and shall request a conveyance of the balance of the property to the State and Eklutna as tenants in common. Nothing in this Agreement respecting the rights of the Municipality and Eklutna in their roles as proprietors limits their authority and duties as a government and as a Native village corporation, respectively. The State, the Municipality and Eklutna shall, prior to conveyances, consult and agree upon the provision of reasonable access to any of the property designated in Section I, Paragraph B(2)(a) through (d) which is proposed to be included in the conveyances. If the parties are unable to agree, they shall request the Secretary to address the matter under the provisions of Section 17(b) of Public Law 92-203. The State shall reserve corresponding easements in any patent by it of lands to the Municipality. Each pledges to cooperate in an effort to accomplish their wishes by agreement, rather than legal proceedings.

F. Management. In the event that the Municipality and Eklutna find themselves committed to tenancy in common without immediate partition, they shall manage their joint interest as provided in this paragraph.

- (1) The Municipality and Eklutna are aware that they have a responsibility to each other and the public to ensure that lands are used, managed, or developed for public or private purposes in accord with sound land and community planning principles. To that end the Municipality and Eklutna agree to manage their property according to a generalized land management plan, which may be amended from time to time by the written agreement of the parties. In agreeing on a land management plan the two parties shall consider the following:
 - (a) Designation of public interest lands as provided in this agreement;
 - (b) General siting of air commerce locations, industrial locations, including intergrated rail-airport facilities, transportation routes, and other intensive land uses;
 - (c) Identification of commercial areas;
 - (d) Identification of residential areas based upon a variety of housing types and densities; and
 - (e) Intergration of historical and cultural sites, parks, open spaces, transportation routes, and public facilities with identified land use patterns.

- (2) The planning sequence for determining the ultimate disposition of military base lands conveyed under this agreement shall be substantially as follows:
 - (a) When it becomes apparent that military base lands will be conveyed under this agreement, the parties shall meet to determine the need for preparation of a "Site Development Plan".

- (b) A Site Development Plan shall be prepared for each significant, compact unit of land conveyed, as determined mutually by the Municipality and Eklutna.
- (c) If it is determined that a Site Development Plan is not required for particular units of land to be conveyed, the generalized land management plan and appropriate provisions of this Agreement shall control development of such lands.
- (d) If a Site Development Plan is required, a formal planning document shall be prepared mutually by the Municipality and Eklutna using the best available planning practices. The purposes of the plan shall be, among others, to determine the following:
 - (i) The final location(s) and acreage(s) of public interest lands identified in the generalized land management plan;
 - (ii) Desirable development alternatives;
 - (iii) Other management alternatives; and
 - (iv) Site-specific management plans.
- (e) Based on the adopted Site Development Plan, Anchorage and Eklutna may agree to:
 - (i) Manage lands as co-tenants in accordance with the adopted Site Development Plan;
 - (ii) Partition lands in accordance with the findings of the Site Development Plan and applicable provisions of this Agreement;
 - (iii) Make any other dispositions of the lands in accordance with the Site Development

Plan which is not otherwise in contravention of this Agreement and to which the parties can mutually agree.

- (f) If after the adoption of a Site Development Plan, the Municipality and Eklutna agree to manage the lands covered by the plan as co-tenants, the Municipality and Eklutna shall prepare and execute a binding development agreement which implements the Site Development Plan and other appropriate provisions of this Agreement.
- (3) In like fashion as is provided in paragraph L(5) below Eklutna shall not consent to the exploration, development, or removal of minerals from the subsurface estate in its one-half undivided interest in lands held in tenancy in common with the Municipality, without the prior written consent of the Municipality. Eklutna will not unreasonably withhold that consent if the Municipality desires to open and mine gravel from its undivided one-half interest.
- (4) The parties shall not dispose of land in a fashion permitting speculation or at a price permitting a windfall to the developer. The Municipality shall not introduce subsidies into the marketing at the expense of Eklutna. In disposing of its partitioned property the Municipality shall, however, be free to alienate an interest for less than fair market value in exchange for corresponding public purpose benefits. All dispositions shall be subject to a restrictive covenant, specifying that the use is to be according to the development management plan and site

development plan provided for in this Agreement, with that covenant being enforceable by either the Municipality or by Eklutna, and amendable only with the consent of both.

G. Land Bank. Nothing in this Agreement shall be taken to prohibit Eklutna from making use of the land bank provided for in ANILCA with respect to any of its land, including also its surface estate in an undivided interest in military base lands. Eklutna shall not submit lands to the land bank where the land management plan or a site development plan contemplates their development within the period of the land bank agreement. Eklutna will not assert that lands should be tax exempt solely because they are held in common with the Municipality. The Municipality, Eklutna, and the State agree to consult with each other respecting implementing law, regulations, and programs respecting the land bank.

H. Provision for Mutual Obligation to Receive and Reconvey Title in Accord Herewith in Event United States Deviates from Law and Agreement.

(1) All forms of disposition by the United States of the Section 1425 lands not provided for in Section 1425 and this Agreement are prohibited. The Municipality and Eklutna agree to share equally the costs of any legal proceedings necessary to enforce their joint and several rights with respect to Section I 3(2)(g) and IV A lands against the United States or the State.

(2) If legal title is hereafter acquired by a party contrary to the provisions of this agreement, that party

shall forthwith convey the same to the party or parties specified to receive it under this Agreement.

- I. In the event that lands are withdrawn by the Secretary pursuant to Section 1410(b) of ANILCA for future selection by Eklutna, Eklutna agrees that it will not select any lands upon which there is a valid State selection at the time of such withdrawal unless the State agrees to relinquish. In the event that lands are made available to the State by the United States, the State agrees that it will not select or accept conveyance of any lands upon which there is a valid Eklutna selection at the time such lands are made available, unless Eklutna relinquishes.
- J. In the event that the Alaska Railroad is transferred to the State pursuant to future Congressional legislation, this paragraph shall govern any future realignment of the rail line across lands conveyed to Eklutna and/or to the Municipality under the terms of this Agreement pursuant to Section 1425(b)(1). If, within 10 years after the date of this Agreement, and after consultation with the other parties and with due consideration of their land management plan, the State decides to realign the rail line, Eklutna and the Municipality agree to convey to the State a right of way easement for mass and bulk transportation purposes, two hundred feet in width, for the proposed realignment. In exchange, the State shall convey its interest in the original rail line crossing lands owned by Eklutna or the Municipality to the appropriate adjacent landowner(s).
- K. If Eklutna receives a decision to issue conveyance to any portion of the bed of Clunie Lake, outside of the Section 1425(b) withdrawal area, Eklutna and the State hereby

*Railroad
Realignment*

*Clunie Lake
Bed*

St./Ek.
Management
Agreement

agree pursuant to Section 901 of ANILCA that the State may select the portion of the lake bed.

L. Eklutna hereby enters into a management agreement with the State concerning the lands to be placed in the land bank under the terms of Section I C(1) of this Agreement.

authority
delegated

(1) Eklutna hereby delegates its authority to manage said lands to the State's Division of Parks ("Division").

Terms of Management

(2) The land shall be managed as part of the Chugach State Park ("Park") pursuant to the provisions of state law concerning the Park. The Division shall have the same management and regulatory powers over said lands as it has over state land within the Park, including the power to sue for trespass and damage to the land, except that:

incompatible uses

(a) the Division may not grant incompatible use permits as defined by 11 AAC 18.010 in 1981 without the prior consent of Eklutna.

park developments

(b) If the Division needs to clear more than one-half acre of land for a project which is not contemplated by the existing (March 15, 1982) Chugach State Park Master Plan, it must obtain the prior consent of Eklutna.

firearm discharge

(c) The Division shall not permit discharge of firearms on the land.

trespass damages

(3) Any money received as actual damages for trespass or damage to the land shall be used to restore the land unless Eklutna has consented otherwise.

(4) The provisions of this Management Agreement will be incorporated in the land bank agreement required by Section 907 of ANILCA. The 907 agreement shall be

between Eklutna and the Secretary (as well as the State of Alaska if the State has statutory authority to enter into such an agreement).

(5) Eklutna agrees to withhold its consent pursuant to Section 14(f) of ANCSA to the exploration, development, or removal of minerals from the subsurface estate in the lands without the written permission of the State. Eklutna will not object to zoning of lands subject to this management agreement pursuant to AS 41.20.025.

(6) The management agreement will continue until the State receives title to the land pursuant to Section I Paragraph C of this Agreement or the State notifies Eklutna it intends to acquire the land outside of this Agreement. The State agrees that if it seeks to acquire any of the land by eminent domain, the lands shall be valued without regard to the restrictions imposed by the 907 agreement, this management agreement, or any zoning pursuant to AS 41.20.025.

By March 15, 1992, the State shall identify rights of way for purposes of constructing and maintaining a bridge, and appurtenances thereto, crossing the Knik Arm and three approach rights of way to the bridge three-hundred (300) feet wide on military base lands, for whatever mode of transportation. Eklutna and/or the Municipality shall grant without consideration the rights of way so identified within ninety (90) days of request for said lands by the State, provided the rights of way are located in accord with the Official Street and Highways Plan of the Municipality.

*Ek. to withhold
ANCSA 14(f)
consent to subsurface
uses*

*timeframe of
agreement*

Knik Arm Crossing M.

*Donation of
ROW's to
State*

N. In the event that the use and development of the military base lands results in a request by the Municipality that the State construct and/or maintain roads or other means of public transportation, Eklutna and/or the Municipality shall grant the State without consideration the rights of way within ninety (90) days of request for such lands by the State. The rights of way shall be located in accord with the Official Streets and Highways Plan of the Municipality.

*Amendment to
conform to
DOI requirements*

O. In the event the Secretary in good faith contends that any provision of the agreement imposes upon the United States obligations or outlays of funds, except as reasonable in the ordinary course of business, or imposes any procedural requirements or requires the reassignment of personnel in violation of Section 1425 of ANILCA, the parties will meet to determine what, if any, technical amendments can be made to conform the Agreement to the Secretary's point of view. Any such amendment shall relate back to the date of this Agreement.

*Entire Agreement
Expressed*

P. The parties agree to execute such other documents as may be necessary to effectuate this Agreement.

Q. Entire Agreement of Parties Expressed. This Agreement constitutes the entire agreement between the parties, except for the Agreement of Compromise and Settlement between Eklutna and the Municipality dated April 3, 1979, as supplemented by their Agreement of March 26, 1980. No party shall be bound by any other terms, conditions, statements or representations, oral or written not contained in it. Each party hereby acknowledges that in executing this contract it has not been induced, persuaded,

or motivated by any promise or representation made by any other party unless expressly set forth herein. All previous negotiations, statements, and preliminary instruments by the parties or their representatives are merged in this agreement.

*State's option
to purchase*

R. Eklutna grants to the State the irrevocable right, privilege and option to purchase the surface estate in the following described land:

Eagle River

(1) Six tracts of land not to exceed 150 acres in the aggregate on the floor of the valley of Eagle River and rights of way for access thereto as generally depicted on the map attached to this Agreement as Exhibit G, the right to travel upon the water column, and a lineal strip of land or a conservation easement along the river channel shown upon the map.

*Thunderbird
Falls*

(2) Tract B, Thunderbird Heights Subdivision, according to Plat No. 77-226.

*Option terms and
conditions*

It is agreed that the State intends to acquire the land subject to the availability of suitable lands for exchange; however, the transaction must be closed by December 31 of the year in which the second to occur of the two conditions precedent does occur, or the State shall have no continuing rights under this Agreement with respect to the lands identified for purchase. The State may cause a survey to be made of the lands in question; the survey instructions shall be prepared in consultation with Eklutna and the Municipality. Eklutna is entitled to notice of the doing of the field work and to be present. The conservation easement shall require the land to be left in its natural state, and shall not extend beyond the

1,000 year flood plain as shown in Figures 3-17 thru 3-20 in the CH₂M Hill study entitled "Task 2, Preliminary Damsite Investigation" dated December 1981. The right to use the water column includes the right to come ashore in case of emergency at any point, and in connection with such an emergency to cross Eklutna land to the public roads to seek help. Nothing herein shall be construed as an admission by the State or Municipality respecting ownership of waters or of the bed of the River.

The purchase price shall be paid in the form of other land by an exchange under AS 38.50. or, in the event this option is assigned to the Municipality, under AMC 25.

The land used to pay the purchase price shall be uplands of equal value, adjacent to Eklutna land and at an altitude below 1,000 feet. If the State and Eklutna agree that the lands are of the same value, the exchange shall proceed. If the parties do not so agree, each shall appoint an arbitrator. The two arbitrators shall meet and attempt to agree; if they cannot, they shall appoint a third arbitrator. The decision of two of the three arbitrators shall bind the parties, provided that the State shall not be bound to complete the purchase. Each arbitrator must be a M.A.I. appraiser. In the event the lands offered are ruled not to be of equal value, as may be appropriate the State shall offer additional adjacent lands, or Eklutna shall suggest deletion of land included in the offer, until by this process the transaction is completed. Determination of value shall be on the basis of fair market value, being the price a willing and knowledgeable buyer would pay to a willing and knowledgeable seller. The

valuation shall include severance losses. Eklutna cannot, however, be compelled to accept State or Municipal lands the value of which includes severance losses to the State or Municipality.

Nothing herein shall prohibit the State from offering lands in exchange which are not contiguous to Eklutna land, but Eklutna may not be compelled to accept a tract isolated from other Eklutna land or at an altitude above 1,000 feet. Lands within Section 14, Township 14 North, Range 2 West, Seward Meridian, shall not be considered isolated. The provisions of this paragraph respecting grant and exchange of lands shall be construed as an option contract for the sale of real property and shall be specifically enforceable.

Because the construction of water diversion works for public water supply within Eagle River Valley has periodically been studied and found potentially desirable, it may become necessary that the sites be flooded. For this reason, in any deed there shall be reserved the right to repurchase the sites not sooner than 15 years thereafter for their then fair market value if construction of such works is desired by the Municipality or Eklutna. In lieu of a repurchase the State has the right to insist upon an exchange on a fair market value basis for unencumbered, vacant lands which will be riparian lands upon completion of construction, if there are any. The State may assign its rights under this paragraph to the Municipality; it is understood that the Municipality would likely seek to purchase additional rights in such an event.

Ex. Repurchase
Rights

Navigability
Determinations
not affected

S. Nothing in this Agreement shall be interpreted as the expression by a party of a view respecting the navigability of any waterbody.

Exhibit. H.
Map (at FRII)
to resolve
disputes

T. The parties have attached as Exhibit H a map generally depicting their settlement of litigation. In the event that the legal descriptions on the various Exhibits fail to list lands which are the subject of conflicting selections raising the legal issues involved in the litigation described in Section II and III, or in the event legal descriptions on the Exhibits conflict, the map Exhibit H shall be employed to resolve the resulting ambiguity except that Exhibit A controls as to the Eagle River Flats.

National Military
Cemetery

U. The parties do not object to the designation of the existing military cemetery on Fort Richardson as a National Military Cemetery of approximately 19 acres.

St./Ek. Joint
Gravel Mining
Area

V. The State grants to Eklutna the a one-half undivided interest in common with the State to mine and remove sand and gravel from the following lands:

Township 16 North, Range 2 East, Seward Meridian

Section 2: That portion west of the Old Glenn Highway bridge lying between the Ordinary High Water Mark of the left and right banks of the Knik River, subject to valid existing rights of the holder of Material Sale 203537 which shall not, however, be renewed.

Section 3: lands lying south of the right bank of the Knik River

The rights in Eklutna and the State may be exercised only as follows. At such time as either the State or Eklutna

desires to mine, the parties acting by registered professional engineers with experience in fluvial geomorphology shall prepare a plan of operations based upon sustained yield. The plans shall address the volume of materials which can be removed without damage to the bridge or to other riparian lands. Eklutna and the State shall likewise agree upon a system of accounting for materials removed and other necessary aspects of the operation.

STATE OF ALASKA

By: 

Chip Dennerlein, Director
Subject to the approval of
the Commissioner of the Department
of Natural Resources and the
Legislature of the State of Alaska

WILSON CONDON, ESQ.
Attorney General

By: 

Barbara J. Miracle, Esq.
Assistant Attorney General

ATTEST:


Municipal Clerk

EKLUTNA, INC.

By: 

Daniel Alex, President

ANCHORAGE, a municipal corporation

By: 

Tony Knowles, Mayor

BURR, PEASE & KURTZ

By: 

Edward Gould Burton

RECOMMENDED AND APPROVED:

By: 

Dorothy Cook, Vice President

By: 

Jerry Wertzbaugher
Acting Municipal Attorney

STATE OF ALASKA)
 : ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 15th day of March, 1982, by Chip Dennerlein, Director, Division of Parks.

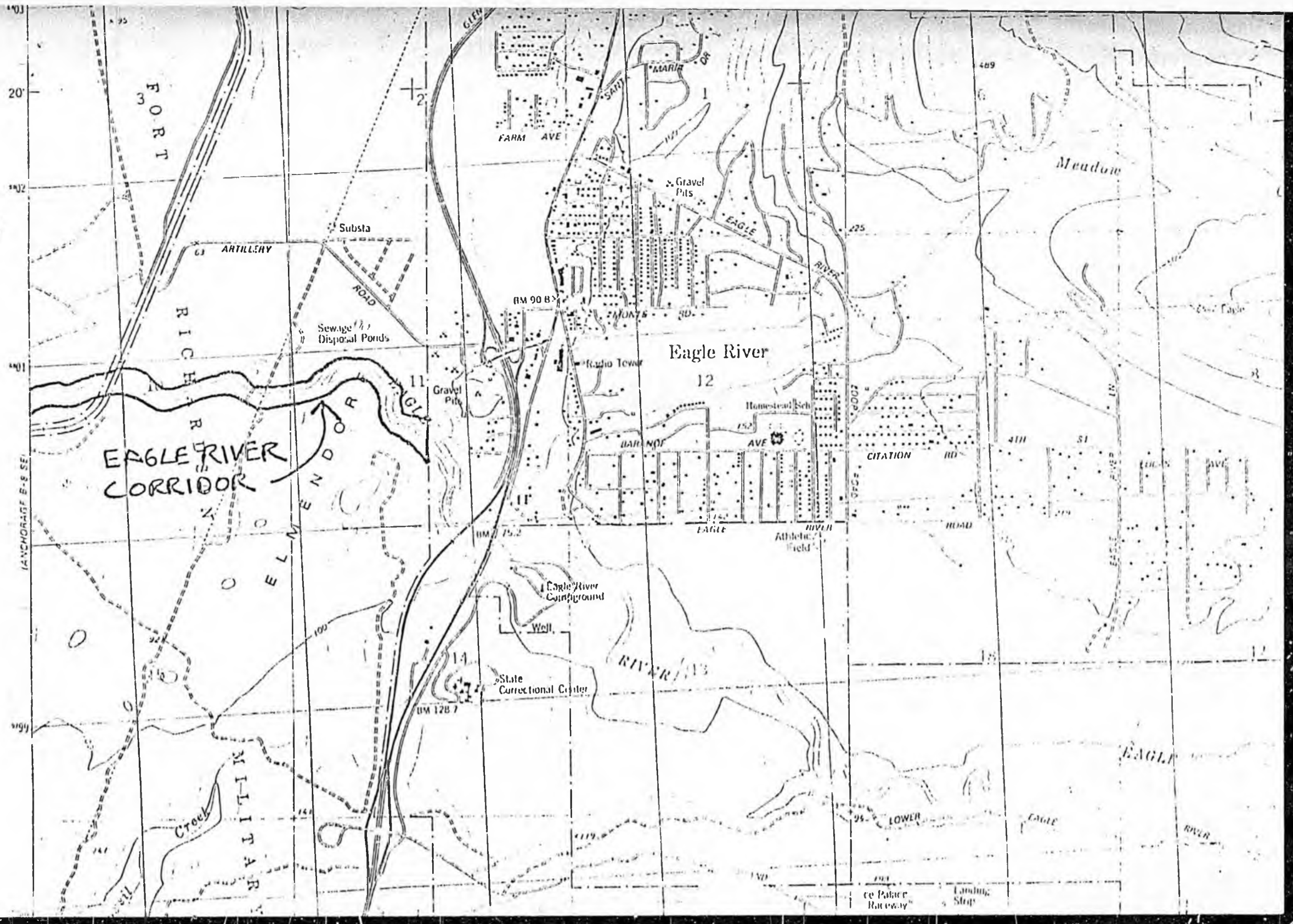
Elaine A. Bealer
NOTARY PUBLIC FOR ALASKA
My commission expires: 4-22-85

STATE OF ALASKA)
 : ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 15th day of March, 1982, by Dan Alex and Dorothy Cook of Eklutna, Inc., an Alaska corporation, on behalf of the corporation.

E. J. Brown
NOTARY PUBLIC FOR ALASKA
My commission expires: 5 April 83

ORIGINALS ON
EXHIBIT A (COPY)



EAGLE RIVER
FLATS

1

12

EAGLE RIVER

FORT RICHARDSON

ROUTE BRAVO

FLATS

EAGLE RIVER
CORRIDOR

MILITARY RESERVATION

RESERVATION

ROUTE BRAVO

Gravel Pit

RAILROAD

Otter Lake 24

02

01

09

86
17'30"

ANCHORAGE B-7 SWI

13
14

20

22

01

00

99

EAGLE

EAGLE RIVER
FLATS

EAGLE

RIVER
EAGLE

FORT

FLATS

ROUTE

RICHARDSON

EAG
COR

MILITARY

18

RESERVE

Route

M
X
D

MANCHORAGE R. I. SW

Lake
Beebe

16

12

10

JEEP

TRAIL

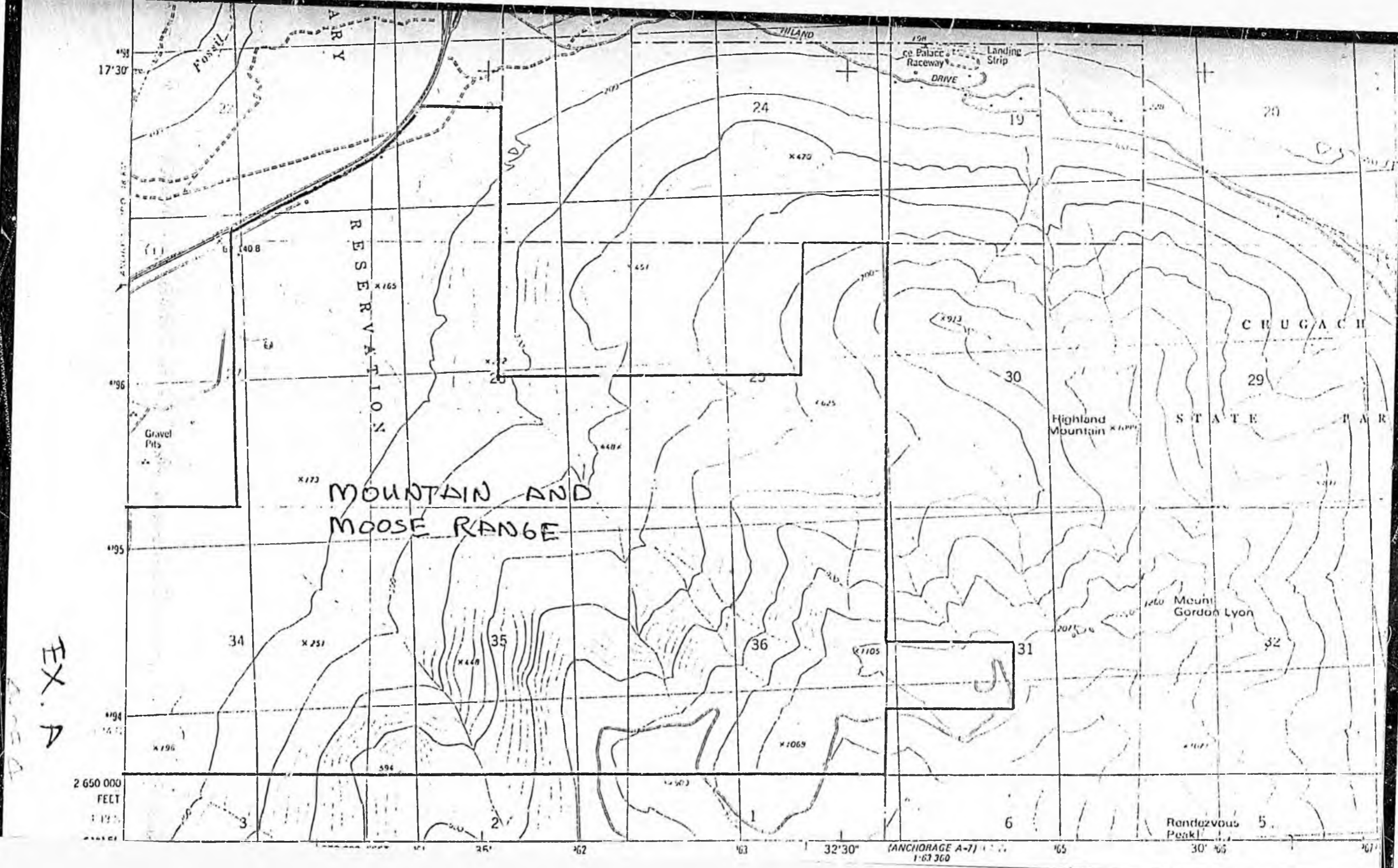
TRAIL

CLIMB

Cave

Light

PH



EX. A

2 650 000
FEET

(ANCHORAGE A-7)
1:63 360

Rendezvous
Peak

Military Lands to be Conveyed to the State

Eagle River Flats

All lands with the area known as Eagle River Flats, as depicted on the attached map and approximately described as follows:

Commencing at a point in the S2 of Section 2, Township 14 North, Range 3 West, Seward Meridian, which is formed by the intersection of the line of Mean High Water (MHW) and the north-south 1/4 line of Section 2, Township 14 North, Range 3 West, Seward Meridian; Thence meandering in a counterclockwise direction along the base of the bluff, around Eagle River Flats to an unnamed road sometimes called Route Bravo; Thence northerly along the east side of the unnamed road, leaving said roadway at the point of curvature of the road to the west, in a northerly direction to the intersection of a line 200 feet from and paralleling the left bank of Eagle River which is established elsewhere in this agreement; Thence northwesterly to the unnamed road; Thence northwesterly along the west side of said road and a bridge to the S 1/16th corner common to Sections 7 and 8 of Township 14 North, Range 2 West, Seward Meridian; Thence northwesterly, northerly, westerly, and northwesterly along the base of the bluff to the point of intersection of the line of Mean High Water (MHW) of Knik Arm, said point being located within the NW4NW4 of Section 6, Township 14 North, Range 2 West, Seward Meridian; Thence south and southwesterly along the

line of Mean High Water (MHW), crossing the mouth of Eagle River, and continuing to meander along the line of Mean High Water (MHW) returning to the point of beginning. Subject to the right of the State, the Municipality and Eklutna to use and allow others to use the road.

Eagle River Corridor

All lands lying within a corridor bound by meander lines located 200 feet inland and upland of the lines of Ordinary High Water (OHW) of both the left and right banks of Eagle River, including the lands located between the ordinary high water marks on each bank. Said corridor being located within:

Township 14 North, Range 2 West, Seward Meridian

Section 9: S2
Section 10: S2N2, N2S2
Section 11: W2
Section 16: NW4
Section 17: N2

NOTE: In all legal descriptions in these Exhibits the use of the number 2 or 4 in an aliquot part description refers to the fractions 1/2 and 1/4, respectively.

Mountain and Moose Range

Township 14 North, Range 1 West, Seward Meridian

Section 31: N2SW4

Township 14 North, Range 2 West, Seward Meridian

Section 22: Portion lying east and south of the New Glenn Highway right of way

Section 23: Portion of the SW4 lying east and south of the New Glenn Highway right of way

Section 25: S2, E2NE4

Section 26: S2, NW4

Section 27: E2

Section 33: Portion lying east and south of the New Glenn Highway right of way

Section 34: All

Section 35: All

Section 36: All

Goose Bay Military Withdrawal (not depicted on Exhibit A maps)
All lands withdrawn by Public Land Orders 2993, 1345, 1102, or 1523 within Sections 6, 7, 8, 16 and/or 17 of Township 15 North, Range 3 West, Seward Meridian.

MANAGEMENT AGREEMENT AND
RECONVEYANCE LANDS: EKLUTNA TO STATE

All Unconveyed (03/15/82) Eklutna
Selections within:

<u>Sequence of Reconveyance</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Approximate Acres</u>
1	19	14N	3E	625.04
2	28	14N	3E	640
3	21	14N	3E	640
4	18	14N	3E	623.28
5	16	14N	3E	640
6	17	14N	3E	640
7a	8	14N	3E	640
7b	7	14N	3E	621.52
8	12	14N	2E	640
9	5	14N	3E	640
10	6	14N	3E	539.76
11	1	14N	2E	480
12	26	15N	2E	145
13	31	15N	3E	498
14	30	15N	3E	596
15	19	15N	3E	615
16	25	15N	2E	79
17	26	15N	2E	55
18	23	15N	2E	140
19	24	15N	2E	165
20	13	15N	2E	40
21	14	15N	2E	170
22	22	15N	2E	60
23	15	15N	2E	210
24	16	15N	2E	165
25	10	15N	2E	85
26	17	15N	2E	40
27	9	15N	2E	239.24
28	8	15N	2E	381.36
29	7	15N	2E	80
30	5	15N	2E	637
31	12	15N	1E	640
32	1	15N	1E	435
33	11	15N	1E	640
34	2	15N	1E	640
35	10	15N	1E	640
36	3	15N	1E	640
37	9	15N	1E	640
38	4	15N	1E	640
39	5	15N	1E	640
40	6	15N	1E	609.94
41	32	15N	1E	640
42	29	15N	1E	640
43a	30	15N	1E	616.30
43b	27	15N	1W	640.8
44	24	15N	1W	640
45	19	15N	1E	393.84
46	17	15N	1E	640
47	18	15N	1E	464.07
48	13	15N	1W	300.33
49a	32	15N	1W	160
49b	20	16N	2E	480
49c	17	16N	2E	320
50	25	15N	3E	640

51	24	15N	3E	640
52	13	15N	3E	640
53	12	15N	3E	640
54	1	15N	3E	640
				<hr/>
			Subtotal:	27,070.48 ₊
55 (northeast of	2	16N	3E	300
56 right bank of	1	16N	3E	610
57 Knik River)	12	16N	3E	95.10
			Subtotal:	1,005.1
			TOTAL	28,075.58 ₊

Lands State Receives and Eklutna Relinquishes

Township 17 North, Range 3 East, Seward Meridian

Section 15: All
Section 16: Lot 1, Lot 2
Section 17: S2 of Lots 1 and 2
Section 19: S2SW4, NE4SW4, SW4SE4
Section 20: Lot 1, Lot 2, Lot 3, Lot 4
Section 21: Lot 1, Lot 2, Lot 3, Lot 4
Section 22: All
Section 23: All
Section 25: All
Section 26: Lot 1
Section 27: Lot 1 and Lot 2 excluding USS 3199
Section 28: Lot 1, Lot 2, Lot 3
Section 29: Lot 1, Lot 2
Section 30: NW4NW4, E2NW4, NE4SW4, W2NE4, N2SE4
Section 31: Lot 2* and S2, E2NE4, SW4NE4, SE4NW4 of
Lot 1
Section 32: Lot 1, Lot 2*
Section 33: Lot 1, Lot 2, Lot 3*
Section 34: Lot 1, Lot 2, Lot 3*, excluding USS 3199
Section 35: Lot 1 excluding USS 3199
Section 36: All

*NOTE: See Section IV of this Agreement

Mental Health Lands - Lands State Will Receive

Township 14 North, Range 1 West, Seward Meridian

Section 5: Lot 1, Lot 2, Lot 3, S2NE4, SE4NW4, SE4SW4,
S2SW4SE4, SE4SE4, NE4SE4, N2NW4SE4

Township 16 North, Range 1 West, Seward Meridian

Section 1: Lot 1, Lot 2, Lot 3, E2, E2SW4, SW4SW4

Section 2: Lot 5, Lot 6, Lot 7, Lot 8

Section 3: Lot 5

Section 9: All, if any

Section 10: Lot 1, Lot 2, Lot 3, Lot 4, Lot 5,
Lot 6, SE4NE4, NW4SE4

Section 11: Lot 1, Lot 2, Lot 3, Lot 4, NW4, NW4NE4

Section 12: Lot 1, Lot 2, Lot 3, Lot 4

Section 36: Lot 2, Lot 3, SE4SW4, SW4SE4, E2SE4

Township 15 North, Range 2 East, Seward Meridian

Section 4: All

Section 6: Lot 1, Lot 2, Lot 3, Lot 4, SE4NE4,
NE4NE4SE4, N2NW4NE4SE4, and other
state selected and available lands

Section 7: Portion of Lot 1 excluding SE4NE4 and
NE4SE4

Section 9: N2NE4 of Lot 1

Section 10: N2, SE4, NE4SW4 of Lot 1

Section 11: All

Section 13: N2, SE4, E2SW4, NW4SW4

Section 14: E2NE4, NW4NE4, N2NW4 of Lot 1

Section 15: NE4NE4 of Lot 1

Section 16: SW4, S2SE4, NW4SE4, SW4NW4 of Lot 1

Section 17: NW4NE4, S2NE4, SE4, W2

Section 18: All

Section 22: S2, NW4, S2NE4 of Lot 2
 Section 23: W2SW4, SE4SW4 of Lot 3
 Section 24: NE4, N2SE4, SE4SE4 of Lot 1
 Section 26: W2, SE4, SW4NE4 of Lot 2
 Section 35: All
 Section 36: W2SW4 of Lot 2

Township 16 North, Range 1 East, Seward Meridian

Section 2: Portion lying west of the railroad
 Section 3: Lot 1, excluding portions lying east of the Alaska Railroad centerline, Lot 2, Lot 3, Lot 4, Lot 5, Lot 6, NW4, NW4NE4
 Section 4: Lot 1, Lot 2, E2, NE4NW4, S2NW4, SW4
 Section 5: Lot 1, NW4NE4, S2NE4, SE4, W2
 Section 6: Lot 1, Lot 2, Lot 3, Lot 4, E2W2, W2
 Section 7: Lot 1, Lot 2, Lot 3, Lot 4, N2NE4, NE4NW4, Lot 1 of island and all other islands, if any
 Section 8: Lot 1, Lot 2, Lot 3, Lot 4 and all other islands, if any
 Section 9: Lot 1, Lot 2, Lot 3, Lot 4 and all islands, if any
 Section 10: Lot 1, Lot 2, Lot 3, Lot 4, Lot 6, and all other islands, if any, excluding portion of lands lying east of railroad (if any)
 Section 15: That portion of Lot 6 lying west of the centerline of the Alaska Railroad
 Section 21: S2SE4, SE4SW4
 Section 22: S2S2
 Section 23: S2S2
 Section 24: S2S2

- Section 25: All
- Section 26: All excluding Patent No. 50-75-0024
- Section 27: That portion lying North and East of and including, the Eklutna Lake Road right-of-way, excluding Public Land Order 2787 and Patent No. 50-74-0023
- Section 31: All
- Section 32: S2, SW4NW4
- Section 33: S2S2
- Section 35: That portion lying North and East of and including, the Ekluant Lake Road right-of-way, excluding Patent Nos. 50-75-0025 and 50-76-0139
- Section 36: All

Township 16 North, Range 2 East, Seward Meridian

- Section 1: Lot 5
- Section 2: Lot 10 and Lot 9 west of the Old Glenn Highway Bridge, excluding USS 2491
- Section 3: Lot 9
- Section 4: Lot 1
- Section 7: Lot 6
- Section 8: Lot 8, Lot 9
- Section 9: Lot 5 of USS 3568, Lot 5
- Section 10: Lot 3
- Section 11: Lot 1
- Section 12: All
- Section 16: Lot 1
- Section 17: Lot 1
- Section 19: S2
- Section 20: NE4

Mental Health Lands - Lands Eklutna Will Receive
Township 14 North, Range 2 West, Seward Meridian

Section 11: Lot 15, Lot 16, Lot 17

Township 16 North, Range 1 West, Seward Meridian

Section 22: Lot 1

Section 25: SW4

Section 26: All, excluding Public Land Order 2672 and
Public Land Order 755

Section 27: Lot 1, Lot 2, Lot 3, Lot 4, SE4NE4,
SE4, E2SW4, SW4SW4

Section 28: Lot 1, Lot 2, Lot 3, SE4SE4

Section 32: Lot 1, Lot 2, Lot 3, Lot 5

Section 33: Lot 1, Lot 2, Lot 3, Lot 4, E2, SE4SW4,
E2NW4, SW4NW4

Section 34: All

Section 36: NE4, E2NW4, NE4SW4, NW4SE4

Township 16 North, Range 1 East, Seward Meridian

Section 1: All

Section 2: All excluding that portion (if any) lying
west of the centerline of the railroad

Section 3: That portion lying east of the centerline
of the railroad

Section 10: That portion (if any) lying east of the
centerline of the railroad

Section 11: All excluding that portion (if any) lying
west of the centerline of the railroad

Section 12: All

Section 13: N2SW4

Section 14: All

Mental Health Lands - Lands Eklutna Will Receive
Township 14 North, Range 2 West, Seward Meridian

Section 11: Lot 15, Lot 16, Lot 17

Township 16 North, Range 1 West, Seward Meridian

Section 22: Lot 1

Section 25: SW4

Section 26: All, excluding Public Land Order 2672 and
Public Land Order 755

Section 27: Lot 1, Lot 2, Lot 3, Lot 4, SE4NE4,
SE4, E2SW4, SW4SW4

Section 28: Lot 1, Lot 2, Lot 3, SE4SE4

Section 32: Lot 1, Lot 2, Lot 3, Lot 5

Section 33: Lot 1, Lot 2, Lot 3, Lot 4, E2, SE4SW4,
E2NW4, SW4NW4

Section 34: All

Section 36: NE4, E2NW4, NE4SW4, NW4SE4

Township 16 North, Range 1 East, Seward Meridian

Section 1: All

Section 2: All excluding that portion (if any) lying
west of the centerline of the railroad

Section 3: That portion lying east of the centerline
of the railroad

Section 10: That portion (if any) lying east of the
centerline of the railroad

Section 11: All excluding that portion (if any) lying
west of the centerline of the railroad

Section 12: All

Section 13: N2SW4

Section 14: All

- Section 15: That portion lying south of the Knik River and that portion lying North of the left bank of the Knik River and East of the centerline of the railroad.
- Section 16: That portion lying south of the Knik Arm
- Section 17: Lot 1, Lot 2
- Section 20: Lot 1, Lot 2, NE4NE4, S2NE4, SE4NW4, S2
- Section 21: N2, N2S2, SW4SW4
- Section 22: N2, N2S2
- Section 23: N2, N2S2
- Section 24: N2, N2S2
- Section 27: That portion lying South and West of Eklutna Lake Road right of way excluding Patent No. 50-74-0028 and Public Land Order 2787 as amended
- Section 28: All, excluding Patent No. 50-74-0028 and Public Land Order 2787 as amended
- Section 29: S2NE4, NW4, S2
- Section 32: NE4, N2NW4, SE4NW4
- Section 33: N2, N2S2
- Section 34: All
- Section 35: That portion lying south and west of the Eklutna Lake Road right of way excluding Patent Nos. 50-75-0025 and 50-76-0139

Township 16 North, Range 2 East, Seward Meridian

- Section 1: All islands, if any
- Section 4: All south of right bank of Knik River
- Section 5: All
- Section 6: All
- Section 7: All excluding Lot 6

Section 8: All, excluding Lot 8, Lot 9, and USS 3234
and USS 3243

Section 9: All north of left bank of Knik River

Section 10: All north of left bank of Knik River

Section 11: Lot 2

Eagle River

12

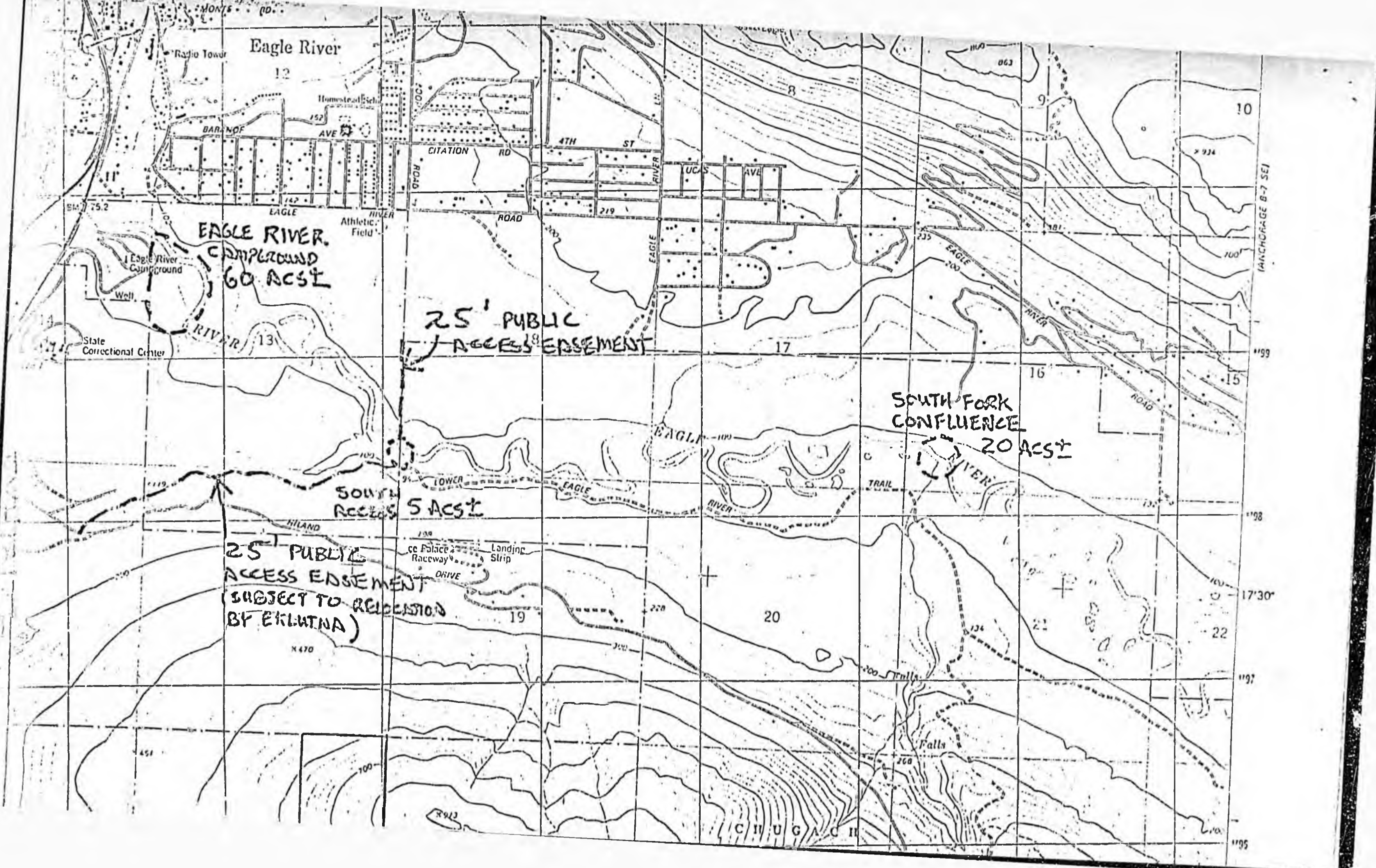
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SOUTH FORK
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25' PUBLIC
ACCESS EASEMENT
(SUBJECT TO REVERSION
BY EKLUTNA)



(ANCHORAGE B-7 SE)

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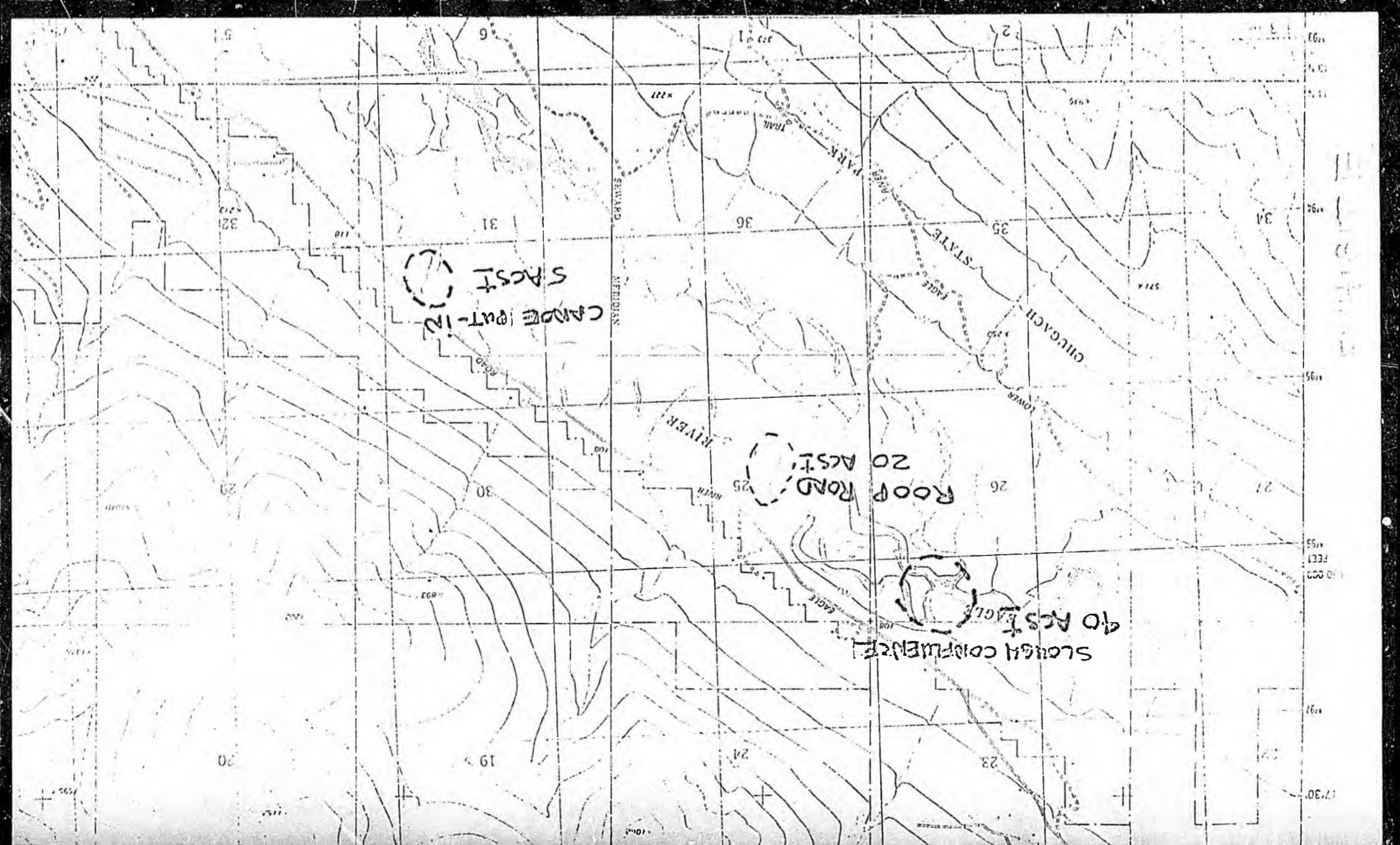
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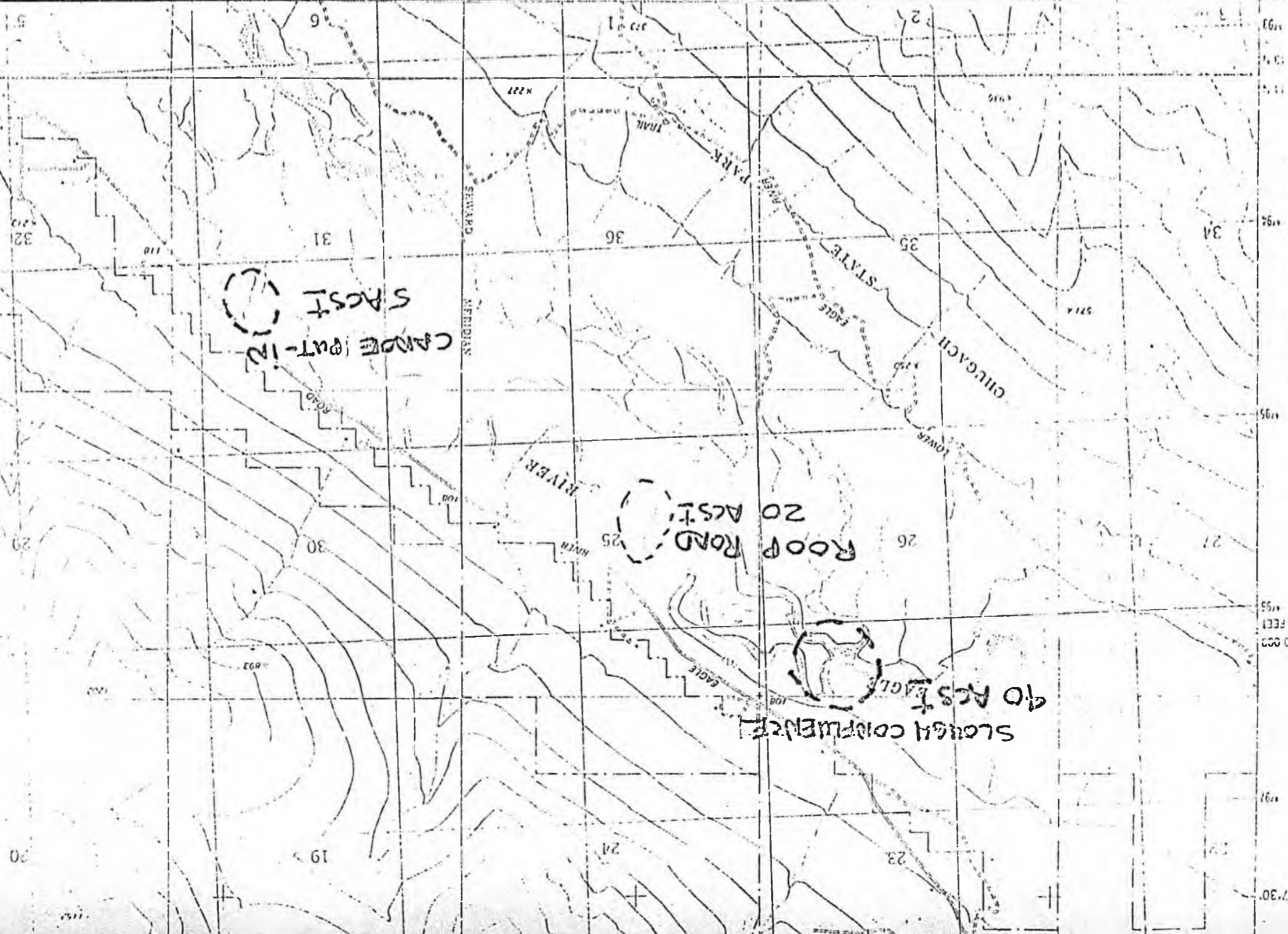
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CANOE OUT-IN
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SQUAD MERIDIAN

CHICAGO RIVER
LOWER
EAGLE STATE

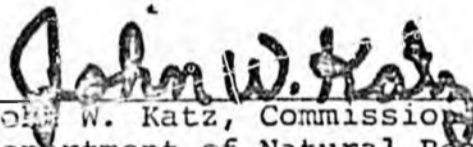
PARK TRAIL



ADDENDUM

I hereby approve the March 15, 1982, Agreement between the State of Alaska, the Municipality of Anchorage and Eklutna, Inc. pursuant to the provisions of Section 1425 of the Alaska National Interest Lands Conservation Act, 94 Stat. 2371.

By



John W. Katz, Commissioner
Department of Natural Resources
State of Alaska