

ALASKA LEGISLATURE

HOUSE and SENATE FINANCE COMMITTEE FILES, 2005-2006 2862

The governments of this country have seen what can happen when frontier cultures are not considered in land decisions. Across the lower forty eight we have seen numerous rural communities and cultures destroyed at the hands of misrepresentation and broken promises. ANILCA was intended to stop this recurring thematic pattern in frontier politics. In 1980, the legislatures made a bold and much needed move to protect the cultures that shape our final frontiers in America. Have we not learned from past mistakes regarding rural communities? As social scientists, we now understand that rural communities are impacted by federal and state land exchanges on a variety of levels. These impacts are accumulated over time, eventually breaking down the stability of a community one small piece at a time. Allowing this land near McCarthy to be apart of the transfer not only violates the mandate of ANILCA, but also exemplifies my research conclusion that current frontier politics are failing the Alaskan people as we move into the next century.

As a concerned anthropologist, I ask that this committee remove the 12,500 acre McCarthy-Nizina land section from HB130. I would also urge that any future consideration of land transfers in the area be contingent upon a detailed Cultural Impact Statement (CIS). If the state of Alaska wishes to uphold the desire of protecting rural communities, than a CIS must be completed by an anthropologist before the McCarthy-Nizina area is accepted in HC 130.

Attn: ~~House~~ House Res. Fin.

Subject: House Bill 130 SB 96

We would like to emphasize we are not against this bill, but feel that there is a significant problem with this bill as currently written.

At statehood the only regions of the state where selections were limited were the Tongass and Chugach National Forest. These were limited to 400,000 acres combined.
Under ANSCA Native selections were limited to 23,500 acres in SE.

The current selection of 40,000 acres in SE by the University amounts to over 10% of total allocated lands in Southeast Alaska, which compares to .21% of total allocated lands in the remainder of the state. Worked out on an equivalent basis through out the state, Southeast would be asked to contribute less than 1,000 acres instead of the 40,000 acres we are being asked to contribute at this time. In NW Chichagof we have already contributed 850 acres to the University of Alaska.

Of the 40,000 acres the majority is not currently within boroughs.
It makes up virtually 100% (99.76%) of state lands in the NW Chichagof area.

HB 130 includes the following parcels

320 acres - Mite Cove PA1002
851 acres - Pelican ST 1002
539 acres - Idaho Inlet MF1002

Pelican
Res.

1,710 acres

After the original DNR land selections and distributions of the 70s and 80s, 2,545 acres remained. The University had already selected 835 acres, or 30% of those lands, and sold them in 2001.

They are now asking for an additional 1,710 acres, which as stated is virtually 100% (99.76%) of all state land in the NW Chichagof area.

Consider the following 4 points.

- 1 The University selections leave nothing for future borough selections for NW Chichagof.
- 2 Does not provide for the future. It precludes any future commercial opportunities.
- 3 The Bohemia Basin nickel mine, which as kept out of ANILCA, reverted to wilderness status in 2001.
- 4 Land from prior DNR distributions is available. Because of shifting economic conditions land prices are depressed. Currently land is available. Large amounts of land would flood the market and depress the local prices further.

5 These parcels do not have timber value and would consequently be sold as cabin sites. History shows that these would be sold primarily to non residents, which history shows do not contribute significantly to the local economy.

We are not against this bill but feel that the original University selection of 835 acres (30% of state land) is more than our fair share to support the University.

Solutions

Amend the bill to remove:

- MR 1002
- ST 1002
- PA 1002

Or

Pass the bill with an amendment that these parcels will go through a more thorough review.

Please do not put us in the NW Chichagof area at an economic disadvantage when we eventually end up in an organized borough.

Lane Ply

Rod Selvig

Maryln Selvig

Steve Hemenway

Debbie Hemenway

Tammy Mulick

Paul Johnson

Jane Button

and lots of other NW Chichagof residents

TERESE HARVEY

Greg Howe

~~KAREN NENECEK~~

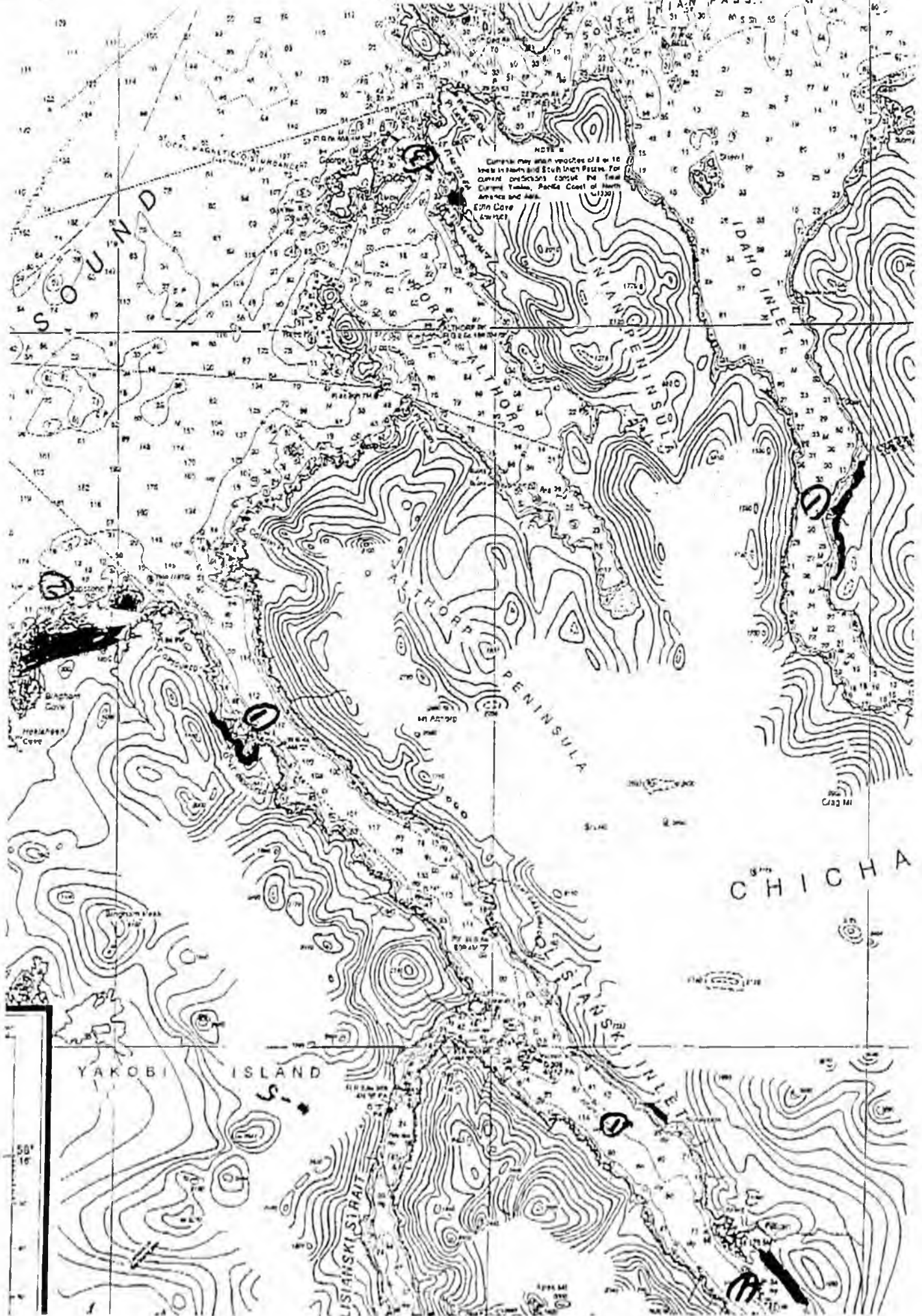
Thanks

Fred Howe

Paul Johnson

- Notes to Chart 17302

- *1 Red - Remaining DNR land on NW Chichagof, proposed to be selected by University of Alaska.
- *2 Green - Land the University of Alaska has already selected and sold in 2001.
- *3 Purple - What would be the remaining DNR land left in NW Chichagof area.
- *4 Orange - Nickel deposit kept out of ANILCA, but turned back over to the Forest Service.
- *5 Orange - Nickel deposit on patented property last reported to be owned by the University of Alaska.



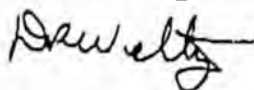
My name is Debra J. Clark. I
I have lived in Whangell for over
40 years & have had the opportunity
to enjoy the area ~~in~~ at Blue
Cave. Our family has a cabin
that we go to year around at
Blue Cave. Where we fish, hunt,
pick berries, and get crab. By
opening the land at Blue Cave
you would ruin the 4-5 different
fish runs that occur every year
and it contains estuarine wetlands
for the birds that come ~~year~~ year
around. Please reconsider &
take Blue ~~Cave~~ Cave off the
bill.

Thank you

Debra J. Clark

Regarding HB 130 (McCarthy Area)

I do not support this bill. We are surrounded by national park here in McCarthy where access to natural resources is discouraged or denied. If private or Federal sale issues we would lose the use of this critical resource area. This property should remain in DNR ownership.

Don Welty

McCarthy, AK.

April 9, 2005
Ketchikan, Alaska

I am writing to oppose the University Lands bill 130 now before the legislature. This lands transfer is bad news for the residents of the Ketchikan area. Specifically, two tracts are nearby and represent everything that Ketchikan residents like about the area.

They are the Moser Bay tract and the Leask Cove tract.

Both of these tracts are pristine, old growth forested areas with abundant wildlife and recreation opportunities, including black bear, otter, wolf, deer, seal, and waterfowl habitat.

More importantly, the University is intent on liquidating the timber assets of this land as quickly as possible. I find this practice particularly uncomfortable and insensitive of our local use of the land. These tracts lie within a half hour's skiff ride of the Ketchikan roads. They are the very places I take my children to be 'away from town' and learn the rules of the road for their lives in Southeast Alaska. On an overnight camping trip last summer, my 4 year old and 5 year old saw their first black bear at Leask Cove, at the site of this tract.

It is this kind of experience that makes the lifestyle of Southeast Alaska desirable. Moreover, the Leask Cove tract lies directly adjacent to an AMHT parcel currently slated for clearcut. The Leask Lakes tract, nearly 5,000 acres, is estimated to hold 80,000 mmbf (thousand board feet) of marketable timber. Alcan Forest Products, which is under contract with AMHT to cut this parcel, has stated it intends to cut 66 mmbf, or about 82% of the timber there.

No doubt, the University has similar plans for this Leask Cove parcel, which abuts the Leask Lakes parcel. I can't imagine how destructive such a clearcut will be for the habitat of the land mammals, but I can imagine what a miles-long clearcut will do for our recreation and hiking, hunting and fishing opportunities once the Leask Lakes parcel is cut. The University parcel will extend that cut along the beach about three miles. Abutting this tract is the tremendous salt chuck called locally the "Roaring Hole". It is a favorite place to gather silver salmon and observe waterfowl.

This high use recreation and gathering area is in jeopardy if the University receives these lands. I ask you to oppose its transfer.

Moser Bay lies on the opposite side of the peninsula from Leask Cove and has similar characteristics. It is a steep drainage with a well-established population of land mammals and water-borne mammals alike. Waterfowl forage in the tide flats there. It is also a transit zone for people from Ketchikan who frequent the next bay up, called Naha, or the Roosevelt Lagoon. If the University gets the Moser Bay tract, I am fearful they will log it for maximum yield and without regard for its scenic view value, its recreation potential, or its popular use as a subsistence and gathering site.

Perhaps most difficult to plan for is the loss of local jobs by this bill. Alcan Forest Products, under contract with AMHT, has shown how valuable these lands are for their timber products. Unfortunately, Alcan has exported all of the timber from AMHT lands to Asia in the round. Many local operators are watching with jaw-dropping surprise as the trees have been taken and shipped out. With the trees went the jobs that should stay here.

Kent Miller, a local industrial economist of note, has presented data that clearly demonstrates the difference in jobs that local processing can make. For example, in both Washington and Oregon, where many timber jobs are held, about 15 jobs are made for every mmbf (thousand board feet) of timber. In Alaska, that number is 3 jobs per mmbf.

The University's need for liquidation of the only value our Ketchikan lands have is short-sighted and inadequate. I find it objectionable that our jobs are farmed out of the country by the very agencies that form a part of my state government.

More importantly, in ten years my two children will be looking for employment in Ketchikan. By allowing local processing of state timber, rather than round log export, small local businesses can get a footing now that will keep Ketchikan economically sound for years to come. I need you to help me to establish meaning in the Southeast way of life.

I need my family to have confidence in the future of the economy of Ketchikan, and to find meaning in the lifestyle of recreation, hunting and fishing, and the unique roadless areas that make our life here special.

The University lands bill jeopardizes these values and opportunities. Please exercise your leadership position to secure a future for Ketchikan's timber resources in Ketchikan itself.

Respectfully yours,

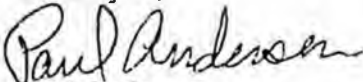
Chris Wilhelm
PO Box 9463
Ketchikan, Alaska
99901

P.O. Box 1454
Petersburg, AK 99833
April 9, 2005

To the Members of the House Finance Committee,

I am the Mayor Pro Tem of Petersburg and I request you amend SB 155, when it comes to House Finance, to include an endowment for the University of Alaska, using SB 155, then to replace the University of Alaska Land Bills -HB 130 and SB 96.

Thank you,


Paul Anderson

Good afternoon, Mr. Chairman and Honorable Committee Members.

My name is Patty Yould. Though not presently a full time resident, I have been a part of the greater McCarthy community since 1975 and have owned land there since 1977. My husband and I spend much time at our property 10 miles south of McCarthy and plan to make that our full time home in the not too distant future.

I ask you to exclude land in the McCarthy area from transfer to the University of Alaska.

1) I understand the purpose of this transfer is to provide revenue to the University. That means the University will have to sell or lease the land. Land in this area will not provide as good a revenue stream as land with resources that could be developed more profitably and contribute to the long term economic benefit of the State (i.e., oil and gas, mining, agriculture, fishing, etc.) If the State is serious about funding the University into the future, land with greater economic potential should be offered. It should be noted that the University doesn't have to be experienced in oil and gas operations, for instance, to benefit from full or partial ownership of land with oil and gas potential.

2) Privately owned lands McCarthy area are inholdings in Wrangell-St. Elias National Park. The National Park Service makes it difficult, at best, to access inholdings, to harvest timber and firewood, to purchase gravel, to pick berries and mushrooms, and to hunt and fish. Resident inholders depend on DNR owned and managed lands for their very survival. Unfortunately, University ownership would take these lands out of public use -- sooner or later, one way or another.

3) The previously mentioned natural resources in the McCarthy area are limited and already stressed -- there are hardly enough resources to meet the needs of existing inholders. Real estate development of the lands proposed for transfer to the University will result in more residents than can be accommodated by the limited resources currently available to inholders and will decrease what few resources are available for public use.

4) Most importantly -- The National Park Service (NPS) has a long and well documented history of trying to eliminate inholders in National Parks. Transferring the proposed McCarthy parcel from DNR to the University will, in effect, abet the NPS in choking out inholders.

The proposed land parcel in the McCarthy area should be excluded from transfer to the University, mainly because such a transfer will damage resident inholders in Wrangell-St. Elias National Park. Other lands owned by the State of Alaska and managed by DNR have greater economic potential and would result in a greater revenue stream to support the University. The University needs a real financial commitment and should not be in the position of having to beg for real estate to sell off -- at the expense of entire communities of Alaska residents.

Thank you,

Patty Yould

Patricia Yould

C. Leathings, again... ☺

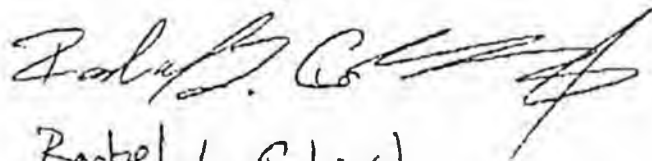
Pg 1/2

I forgot to mention that, after watching a previous Gavel to Gavel Session, the parcels of land from DNR available ~~to~~ ^{to} ~~was~~ ^{were} referred to as 'slam pickens'; it as such I know there's probably not a whole lot that can be done about that. My suggestion would be to protect the current users of the proposed parcels. First, fix the statutes so that they are not contradictory. Second, get the people affected on your side by informing them well & well in advance of whatever this bill ends up looking like. This bum rush initiated by the Governor does not look like anything I would expect of a Representative form of government. I realize that we are trying desperately to qualify for the land match from the Feds. I support moving lands out of State & federal hands & into the market for public consumption. However, not at the cost mentioned by so many others today. On a final note - I can see you here in the Anchorage LIO. Whomever it is sitting on the ^{for} left of the chair - you need to put away your glossy magazine that has nothing to do with the matter at hand & pay attention to

ryc/c/c

What these people are saying to YOU today. The State pays you a lot of money to actively listen to persons who are testifying. To read magazines like that is disrespectful to those who are taking the time to make their views known & the members of this committee that are doing their jobs. To those who are actively listening to our fellow Alaskans - my sincere thanks. Thank you for accepting this fax even after I had my chance to speak on this HB 130 today.

Respectfully submitted,



Rachel L. Colvard

Email: Reply to:

oso_corazon2k@yahoo.com

UAA Student

Single Mom

Citizen/Patriot

Other titles as assigned, I'm sure.

P.S. why are their archeological sites in this bill at all when they should be exempted under AS 41.35. It is completely short sighted to list them now & worry about the technical qualification later. These listings violate the spirit of the initial Declaration of Policy as listed in AS 41.35.010. Just please read the first sentence. there are many

My name is Mike Sallee. I was born in Ketchikan and am currently a self-employed saw miller and harvest diver.

This is an edited version of the testimony that I presented to the House Resources Committee's teleconferenced hearing on the governor's proposal to transfer DNR lands to U of A. Please enter the following comments into the record.

I have serious doubts about Senator Lisa Murkowski's assertion that U of A deserves another quarter million acres of (Federal) public lands, and therefore about whether Governor Murkowski is justified in seeking to provide matching acres from state lands.

If, by some stretch of the law, the Murkowskis succeed in pulling off these land grabs, I'd insist on extremely rigid and binding covenants, in perpetuity through all prospective ownerships, that prohibit clearcutting, round log export and any timber extractions exceeding the ten thousand-board-foot/year personal use allocation the USFS currently administers on Federal lands.

During the last few months in Ketchikan we've witnessed barges and several log freighters being loaded with top quality spruce and cedar saw logs mostly from Mental Health Trust lands, being shipped in the round and unprocessed out of state. Along with those logs went the opportunity for local jobs and revenue from primary, secondary or tertiary processing. Without robust covenants that encourage local processing, U of A remains on track to continue this wholesale hemorrhaging of our wood supply and the jobs and revenues to be realized from local processing of that wood.

On (some) specific parcels (in the Ketchikan area):

The Moser Bay parcel (CS.MB.1001) (906 acres) is mostly steep ground not well suited for homesite development. This leaves subsistence hunting/gathering, recreation, habitat and timber production for which I'd suggested previous covenants. Most folks who actually develop and live on remote homesites own beach frontage. (Much of this parcel's acreage is uplands, well away from the beach). The estuarine areas (at Wolf Creek and at the head of) Moser Bay should be kept free of development (managed as wildlife habitat) as well. I'm very apprehensive of the prospect of developing Wolf Lakes trail for industrial tourism.

I've owned and operated a cottage industry sawmill operation at Moser Bay for the last approximately twenty-five years. While DNR's description of the Moser Bay parcel mentions commercial timber "suitable for selective logging" it would be a slap in my face as well as those Moser Bay residents needing wood to build to have that timber harvested at a scale that precludes local processing. One local resident living beyond the road system near Moser Bay stated he is not against harvesting some trees, BUT THOSE TREES NEED TO BE PROCESSED LOCALLY.

I was a member of the Cleveland User's Coalition which opposed road accessed logging on Cleveland Peninsula. *(The previous Knowles administration respected and supported this position)* The Cleveland is one of a dwindling number of places *(readily)* accessible to local hunters *(and other recreators)*. Again I'd suggest covenants that prohibit commercial logging and log dumps from the Cleveland parcels, both on the Spacious Bay and Sunny Bay sides *(KT.1002)(4,055 acres)*.

DNR has not responded adequately to our comments on its Central and Southern Southeast Area Plans *(F.g., DNR is forging right on ahead with its plans to road and clearcut parcels on Gravina in spite of pleas to limit logging and road building on that island)*. It's irresponsible of the state to use this transfer to U of A to avoid addressing our concerns with that *(DNR)* Area Plan.

As for Joe Beedle's and Mari Montgomery's promise to address local public concerns, I'm skeptical after the egregious breach of public trust that occurred here in Ketchikan at S. Tongass where a private timber company, 50% owned by a Korean businessman in Vancouver, was basically grubstaked by U of A's failure to advertise locally. To add insult to injury, U of A defined "fiduciary responsibility" as selling 145 acres of road system-accessible property to a logging company for the sweetheart price of \$1200/acre. Furthermore, U of A's efforts at logging as evidenced locally by Slide Ridge, as well as other places in SE and South central Alaska are forest liquidations, not management.

Instead of responding to a growing world population's hunger for wood with round log export, I'd suggest exporting expertise and counseling on family planning.

While funding our Land Grant University is a laudable goal, HB130 is a bad bill that undermines public process and politicizes land management. While HB130 is touted as helping the University and getting land into the hands of the people it also acts as a vehicle to expedite grand scale logging, road corridors, log dumps and other development for which public process will be eliminated. Please scrap it! Thank you.

Sincerely,



Mike Sallee
PO Box 7603
Ketchikan, AK 99901

**A RESOLUTION FOR THE THOMS PLACE COMMUNITY ASSOCIATION
OPPOSING UNIVERSITY OF ALASKA LAND BILLS IN THE ALASKA STATE
LEGISLATURE**

WHEREAS The University Lands Bills (SB 96, HB 130) introduced in the Alaska State Legislature would transfer a large 2,360 acre tract to the University of Alaska which is located immediately adjacent to the community of Thoms Place, and;

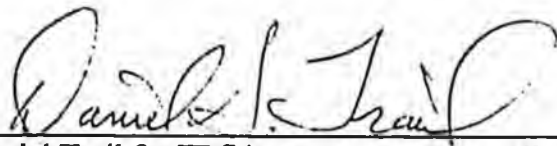
WHEREAS Transferring this entire tract to the University could have a serious negative impact on the property values of Thoms Place Community Association members, and;

WHEREAS It is in Thoms Place Community Association's best interest that this tract be managed according to Alaska Department of Natural Resources Central/Southern Southeast Area Management Plan, i.e. for community development and community recreation, and;

WHEREAS The University of Alaska has historically managed its lands for the purpose of generating the most revenue possible regardless of local community plans or concerns, and;

WHEREAS Thoms Place Community Association has no reason to believe that the University will treat our community with any greater deference than it has other communities in the past.

NOW THEREFORE BE IT RESOLVED that the Thoms Place Community Association opposes the transfer of the Thoms Place tract to the University of Alaska in SB 96 and HB 130 unless the University can be duly obligated by the legislation to manage these lands for the next ten-year period according to the management direction prescribed by the Central/Southern Southeast Area Management Plan, i.e. with an emphasis on community development and community recreation.



Daniel Trail for TPCA

Date

2/9/05

Mary Irvine
326 Sixth Street
Juneau, Alaska 99801
(907) 586-1480

April 4, 2005

Dear Senator Kockesh:

I am writing to you about the University Lands Bill. A very small parcel of land contained within HB 130 has the potential for destroying an old Native village site, and wreaking havoc with the primitive character of the Tracy Arm-Ford's Terror Wilderness Area if it remains included as one of the properties subject to HB 130. The parcel is the five-acre piece of land identified on the DNR maps only as "Sumdum." The property is within the heart of the above-mentioned federal wilderness area, and as a tidal property, has the potential for development of the most pernicious kind.

While I am not a constituent living in your district, this parcel of land that is so dear to me is within your apportionment district, and so I am appealing to you to take special action however you can in regards to this property, preferably to get the parcel removed from the Lands Bill. It has a very special place in the hearts of Southeast Alaskans: most people who use it either live here or visit Tracy Arm to experience the extraordinary beauty and primitive character of the place. To allow the parcel of land identified as "Sumdum" to go forward as part of the Lands bill would both destroy an old village site and also sound a death knell for the continued wilderness characteristic of the surrounding Wilderness Area.

While 5 acres sounds almost imperceptibly small in relation to the hundreds of thousands of acres included in the Lands Bill, five acres would be just enough for a private entrepreneur to build a set of commercial hotel facilities, or to erect a commercial dock for cruiseships, or perhaps to allow for helicopter landings within the heart of the Wilderness Area.

I asked the following two (2) questions at the University and DNR's public open house held in Juneau on this proposal, held earlier this year, and received inadequate answers. (I have been unable to attend any legislative hearings yet on the bill.) Both of my questions concern the existence of archaeological sites on the subject properties.

So I am hoping you can either somehow get the "Sumdum" parcel taken out of the Lands bill, or in the alternative, at the very least, ask these questions of those pushing the Lands bill on it's fast track forward.

(1) Disclosure of existing archaeological sites of which DNR has special knowledge.

First, I am wondering why – during the process of choosing and offering properties to the University Lands Office - DNR has not disclosed to the Lands Office the existence of potential historic, prehistoric, and archeological resource sites on the parcels of land.

Alaska Statute 41.35 mentions that it is the policy of the State to protect such sites

copy on file

"from loss, desecration, and destruction so that the scientific, historic, and cultural heritage embodied in these resources may pass undiminished to future generations. ... The Legislature finds and declares that the historic, prehistoric, and archeological resources of the state are properly the subject of concerted and coordinated efforts exercised on behalf of the general welfare of the public in order that these resources may be located, preserved, studied, exhibited, and evaluated."

The University Lands Officer present at the scoping meeting (Director Mari E. Montgomery) told me frankly that she didn't know why DNR had not red-flagged such sites for the University, and that not knowing about the existence of such sites has presented convoluted problems in the past, for example, when the University tried to alienate property it had received from a DNR land transfer.

Since DNR is charged with keeping records concerning such sites, not only at their Records Office in Sitka, but also at the SHPO's office in Anchorage, and in various archaeological files here in Juneau, DNR should be able to review the inventory of land parcels covered by this proposal, and highlight for any legislator who requests it and for the University, any areas of concern. I am not asking for DNR to divulge sensitive specifics about any sites, but rather, to red-flag these sites prior to choosing them for proposal for inclusion in a bill such as HB 130, which would change the stewardship of these sites, by transferring the management of them from DNR to the University Lands Office.

My own knowledge of the "Sumdum" site as an archaeologically significant site comes not from any special knowledge that could have come from a review of sensitive DNR files, but rather from a personal interest in the Tracy Arm-Ford's Terror Wilderness Area. Over the past twelve years, I have worked as a fill-in naturalist on a number of day tour boats that go down and back to Tracy Arm-Ford's Terror, narrating for tourists the natural history of the area, information about the tidewater glaciers, relating some of the history of Tlingit people of the S'awdaan Kwáan of which at least two clanhouse names are known – the Black Bear House and the Glacier House, and providing stories about the early (1869 – early 1900) mining history in the area. Learning more about these things has become an avocation for me. I have begun to research the history of the area using readily-available library materials and have begun conversations with Native elders with knowledge of the area.

There are many historical records that add to our knowledge about the Tracy Arm-Ford's Terror Wilderness Area, but as yet, there is no one reference source which can incorporate them all. For documentation about the significant archaeological nature of the parcel "Sumdum" involved in HB130, I would rely on the book researchers refer to as *Goldschmidt and Haas*. As you may know, Walter Goldschmidt and Theodore Haas conducted interviews in 1946 around Southeast Alaska; their work is considered a wealth of information not only by archaeologists working in the field, but also by many Native Alaskan people, especially in Southeast. On page 43 of their book, *Haa Anni, Our Land: Tlingit and Haida Land Rights and Use* (republished in 1998), they state:

"The Holkham Bay area included the site of the Sumdum Village, which was situated below the glacier of that name. ... There was a village on the south shore of Endicott Arm as well as at the mouth of the Sumdum Glacier."

I have attached to this letter to you a photo of the map that appears in *Haa Anni, Our*

Land, clearly showing the site of this second village mentioned. The 5-acre parcel identified by DNR as a potential property for inclusion in HB 130 is precisely on this old village site.

The reference in Goldschmidt and Haas shows that the parcel chosen for inclusion in HB130 is probably extremely rich in archaeological material. Further, it is most probable that the Sumdum Mining operations (no mean operation – they operated a 10-stamp mill there to crush the thousands of tons of rock they brought out of the surrounding mountains) grew up on this very site. There are two anadromous fish streams that still support runs of salmon on the 5-acre site (which would hint at the presence of Native and/or non-Native fish traps and weirs on the site), and there are also historical records, maps, and photographs of the old United States Post Office at this site. The second image attached to this letter is a rough area map included in Arthur Coe Spencer's 1906 US Department of the Interior – USGS – book entitled, The Juneau Gold Belt, Alaska which denotes the location of the United States Post Office at Sumdum.

I believe it is most appropriate to require conducting this disclosure step at this point in time, prior to the transfer of stewardship, since DNR has specialized knowledge of these potential sites, and also since once the transfer to the University Lands Office takes place, the land becomes far more likely to become alienated from the protection of the State.

If parcels which may have archaeological sites on them are not identified at this point – and it is simply (and probably erroneously) assumed that the University will dig for this information at a later date – I believe the State would be acting in violation of its own State archaeological resources protection statute.

(2) Consultation with neighboring landowner concerning existing archaeological sites

My second concern is also somewhat procedural. While the State archaeological resources protection statute may not list the Forest Service specifically, I believe the Forest Service should be consulted with regards to all parcels which border on Forest Service lands.

Especially concerning land parcels in Southeast Alaska which border on the Tongass National Forest, the largest national forest in the United States, I asked the University Lands Officer at the scoping meeting whether DNR had consulted with the Forest Service as to the existence of potential historic, prehistoric, and archeological resource sites on the parcels of land. Again, Mari Montgomery told me frankly that she was unaware of any such concerted effort or coordination between the two agencies. It is baffling to me why this would not be done at this point in time.

Most of the land parcels in the Southeast area abut National Forest land. And since the Forest Service is the major land-holder in Southeast with this kind of information already gathered (via studies conducted and surveys accomplished by a cadre of professional archaeologists) and at its disposal, it seems only natural for such a consultation to take place. To highlight another example, the Forest Service would quite possibly be the agency best-equipped to assist in determining whether the spectacular, world-class caves on Prince of Wales Island would be affected by this land proposal, or - for another example - whether the subtle cultural and cross-cultural, and historic mining remains on

the lands at the head of Sanford Cove in Endicott Arm would be affected by this land proposal. I believe the Forest Service would welcome the opportunity to undertake such a review and consultation in the name of sustainable and positive land management.

Again, I am not asking for sensitive specifics about any sites to become publicized. I am, rather asking that these sites be red-flagged in consultation between agencies prior to the stewardship of these sites transferring from DNR to the University.

In summary, I am asking you to if possible, assist in spreading the word about the archaeological nature of the 5-acre Sumdum parcel, so that the Sumdum parcel might be pulled from further consideration under the Lands Bill. Further, if necessary, to please assist your legislative colleagues in considering two procedural questions relating to the Lands Bill. First (1), that DNR disclose to the University Lands Office the existence of potential historic, prehistoric, and archeological resource sites on the parcels of land involved, and thereby comply with AS 41.35. And second (2), that DNR consult with the Forest Service as to the existence of potential historic, prehistoric, and archeological resource sites on the parcels of land, and thereby comply with AS 41.35.

Thank you for taking the time to read this somewhat lengthy letter. If I can clarify any of these thoughts for you or otherwise be of any help on this issue, please let me know.

Sincerely yours,

A handwritten signature in cursive script that reads "Mary Irvine".

Mary Irvine

Mary.Irvine@ACSAAlaska.net

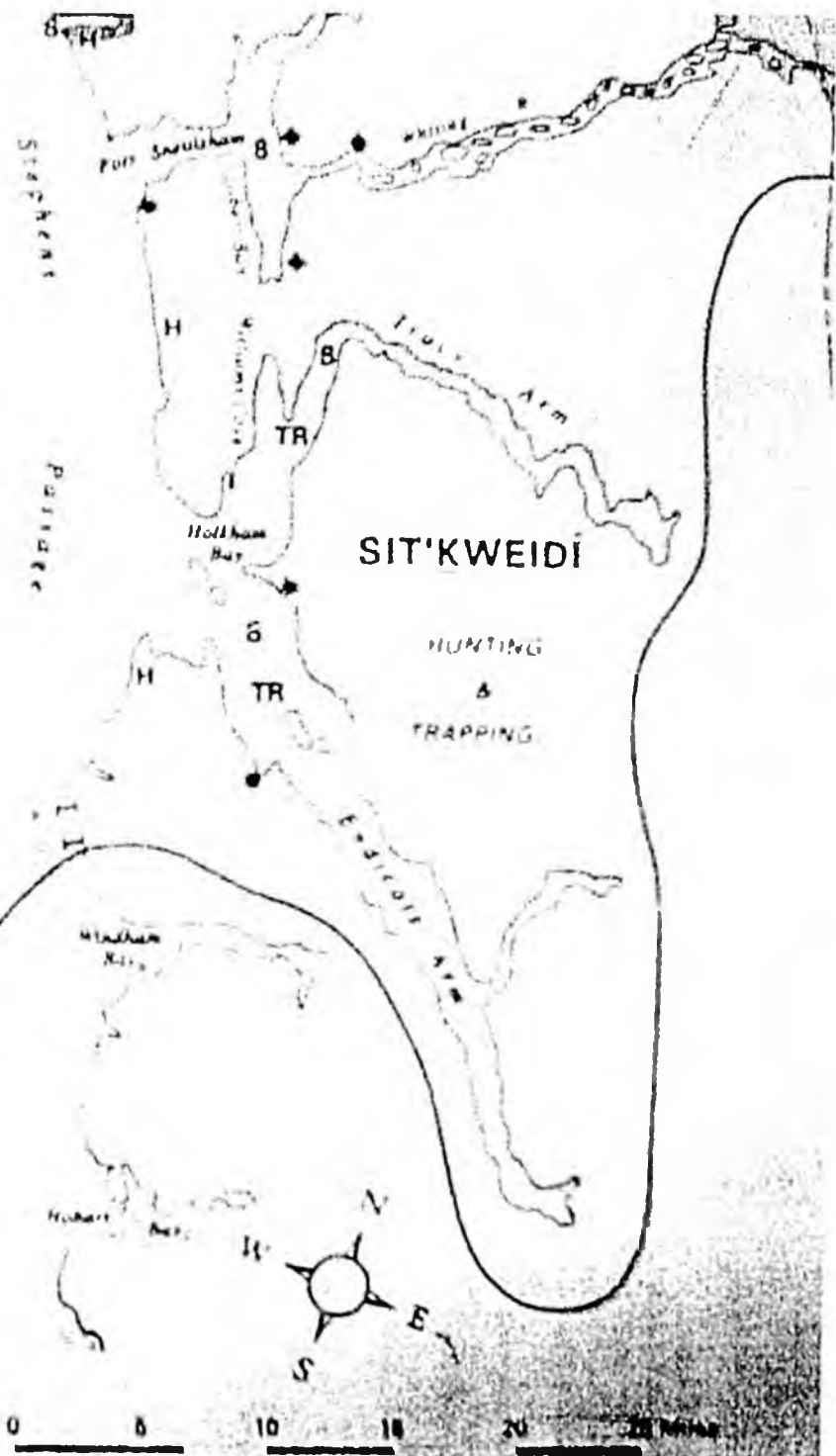
FROM: HAAAANI, Goldschmidt & Haas

ISLAND

Angoon Territory

- INTERNATIONAL BOUNDARY
- ===== TERRITORIAL BOUNDARY
- - - - - CLAN TERRITORY
- B BERRYING
- G GARDENS
- H HUNTING OR TRAPPING
- S SALMON
- SH SHELLFISH
- TR TROLLING FOR HALIBUT OR KING SALMON
- ◆ FORMER CAMP
- ▲ PRESENT CAMP
- FORT
- † FORMER SMOKEHOUSE OR ABN
- PRESENT SMOKEHOUSE OR ABN
- FORMER VILLAGE
- ▼ PRESENT VILLAGE
- † CEMETERY
- ☉ COMMERCIAL FISH TRAP

PRESENT (1840) POSSESSORY RIGHTS (PATENTED LANDS EXCLUDED)



Kukō Territory

FROM: THE JUNEAU GOLD BELT, Arthur Coe Spencer



FIG. 4. - Field map of Holkham Bay and vicinity.

Residents of McCarthy opposed to HB 130 and SB 96

April 6, 2005

To: Senator Albert Kookesh
Attn: Nancy Barnes
Senate Resource Committee

Dear Senator Kookesh,

Attached to this cover is a petition circulated in the McCarthy area, opposing HB130 and SB 96. There are, at this time, 41 signatures on the petition. We are still gathering signatures and will have more which we will forward later. A substantial portion of the residents and landowners affected by this land transfer have not been notified about the transfer and have been hard to reach.

Please provide copies of the petition and letters to each of the committee members and include it in the record. Many residents of McCarthy would like the opportunity to testify and ask that we set up a conference call. We have a location in McCarthy arranged so it will just need to be arranged on your end..

Attached to the petition is a list of signers. Copies of the original signature are available but due to the problem we have faxing with our phone system and time constraints I thought it best just to list the signators. If you need the original they are available. I will fax additional signatures as we receive them.

Thanks in advance for your help,

Kelly Bay
McCarthy, AK
907-554-4411
info@wrangellmountainair.com

CC: Rep. Mike Chenault, Chair, House Finance Committee
Senator Thomas Wagoner, Senate Resources Committee
Rep. Woodie Salmon

A PETITION

**IN OPPOSITION TO the Governor's University Land Bills HB 130/ SB 96,
specifically the 12,500 acres of land in McCarthy-Nizina**

To: Frank Murkowski, Governor, State of Alaska
Mark Hamilton, President, University of Alaska
Bob Loeffler, Director, Department of Natural Resources
Representative Mike Chenault, House Finance co-chair
Representative Kevin Meyer, House Finance co-chair
Senator Thomas Wagoner, Senate Resources co-chair
Senator Albert Kookesh, District C
Representative Woodie Salmon, District 6

Whereas,

Land near McCarthy- Nizina proposed for transfer in the Governor's University Land Bills is important to the community of McCarthy for subsistence firewood cutting, hunting and trapping as well as recreation and wildlife habitat; *and*

While the Department of Natural Resources has designated this land for wildlife habitat and public recreation, transfer to the University would erase the plan designation and allow the parcel to be sold and developed for any purpose; *and*

A large percentage of the land included in the 12,500 acres is uninhabitable and presents potential buyer with complex and expensive access issues as well as problems associated with availability of potable water. Long term impacts on the community of McCarthy must be weighed against the short term gain to the University system, *and*

According to the University, a 260,000 acre state land grant would provide less than 1% of the UA's total budget after twenty years of intensive management; *and*

Alaskans deserve a well-funded and high-quality university system; *and*

The University of Alaska deserves a responsible funding mechanism for the 21st Century and should not be made land managers on the backs of communities

Therefore,

WE, THE UNDERSIGNED ALASKANS, petition Governor Frank Murkowski, University of Alaska President Mark Hamilton, DNR Division of Land, Mining and Water Director Bob Loeffler, House Finance and Senate Resources committee members, and McCarthy legislators to remove parcel MA.MC.1001 from legislative consideration in HB 130/SB 96, and, furthermore, to seek a viable, long-term funding solution for the University that does not harm Alaskan citizens, communities and businesses.

List of Signators in opposition of HB 130/SB 96

Susan Doherty	Kennicott, AK
John Bossard	McCarthy, AK
L. Frederick Dure	McCarthy, AK
Ann Dure	McCarthy, AK
Peggy Smith	McCarthy, AK
Curt Smith	McCarthy, AK
Michelle Niland	McCarthy, AK
Ben A. Shaine	McCarthy, AK
Marcia K. Thurston	McCarthy, AK
Dorthy Addler	McCarthy, AK
Rick Kenyon	McCarthy, AK
Bonnie Kenyon	McCarthy, AK
Geoff Downs	Girdwood, AK
Patricia Yould	Palmer, AK
Eric Yould	Palmer, AK
C. Gelvin Reymiller	Fairbanks, AK
S. T. Reymiller	Fairbanks, AK
Andy Shidner	McCarthy, AK
Cynthia Shidner	McCarthy, AK
Kirsten Richardson	McCarthy, AK
Jeremy Cohen	McCarthy, AK
Douglas Miller	McCarthy, AK
Margaret I. Hunt	McCarthy, AK
Michelle Casey	McCarthy, AK
Kelly Bay	McCarthy, AK
Natalie Bay	McCarthy, AK
Anthea Wallin	McCarthy, AK
Audrey Edwards	McCarthy, AK
James Edwards	McCarthy, AK
Ed Lachapelle	McCarthy, AK
George Cebula II	McCarthy, AK
Jeannie Miller	Kennicott, AK
David P. Hollis	McCarthy, AK
Stepahnie Peikert	McCarthy, AK
Jurgen Orgradnik	McCarthy, AK
Diane Milliard	McCarthy, AK
Stacie Miller	McCarthy, AK
Mark Wacht	McCarthy, AK
Adrianna Cameron	McCarthy, AK
Guy Holt	Chitina, AK
Niel Darrish	McCarthy, AK
Jeremy Keller	McCarthy, AK
Allison Keller	McCarthy, AK

April 6, 2005

To: Senator Albert Kookesh

Subject: HB 130, SB 96

Dear Al,

Governor Murkowski's bill to transfer land to the University of Alaska to fund education may seem like a great idea at first glance, but on further inspection there are several serious problems with the idea. The lack of public process, in the form of meetings in communities that are most affected, is alarming. It is obvious this administration is not concerned with the viability of subsistence communities, the quality of their existence or the impact these land transfers potentially have on the land that surrounds them. Furthermore the 12,500 acres proposed for transfer near McCarthy includes only a small percentage of habitable land and is spread out in areas that are a long way from a road, trail or any kind of access.

The University has held two land sales in the McCarthy area in recent years. While not all lots have sold, the few that have sold are having a negative effect on roads that have been used for year by a limited number of local residents. Generally, it is creating a maintenance problem on minimal or non-existent roads and degrading existing access for long time residents. The State does not maintain the roads they currently claim ownership to, in or around McCarthy, due to lack of funds. Nor are they likely to do so in the future. Sale of more University subdivision lots will create a demand for more roads and maintenance of existing roads (the May Creek Road) that the State can ill afford. The transfer will also impact many subsistence users that rely on uninhabited state for subsistence activities, denying them access to traditional trapping and hunting areas. More land sales will also increase competition and curtail access on scarce resources, such as firewood. The DNR land identified by the Governor in the McCarthy area contains some of the only viable sources of firewood for residents that have lived in the McCarthy area for 30 year or more. What will they do when that source of firewood is no longer available?

The quality of the land available for disposal is another issue. I have been a year round resident of the McCarthy area for 29 years and have spent a fair amount of time walking across, flying over, hunting and cutting firewood in the proposed disposal area. The land that is suitable for habitation in the proposed disposal area is minimal. Most of the south sloping land along the Nizina which may look good on a map is marshy and wet. This poses two problems. There are very few good building sites and they happen to be mostly along the bluffs of the Nizina River, a mile or more from the existing May Creek Road. The road building costs across this kind of terrain are very high and likely not affordable by prospective buyers. Furthermore there could be wetland issues adding even more cost. While previous University land disposals in the McCarthy area have contained some relatively good land, the proposed disposal area has a much different topography, which is not nearly as conducive to reasonable habitation.

All in all, there is more to this land disposal than might seem obvious to someone who hasn't actually been on the ground. The previous University land sales in the McCarthy area have been somewhat successful, because that land is much closer to the May Creek Road which make access more viable. In addition, the lots that have sold are generally well drained and on high ground which allow for good view with little clearing. The proposed disposal area will most likely be much harder to sell and have a much lower value because it lacks those attributes.

Another very important factor to consider is water. There are no clear streams or potable surface water available on most of the land. That means that wells will have to be drilled, or water hauled long distances. Considering the costs of roads and water wells, most prospective buyers will likely be discouraged. Some of the wells drilled on the Seltenreich Property near the Nizina Bridge and adjacent to the proposed transfer area, cost in excess of \$10,000 to drill 10 years ago and there was already a road to the property making it relatively easy to get a drill rig in. It still had to happen in the winter when the May Creek Road was frozen and with the help of a D-8 cat. Without a road it would be a much costlier undertaking.

I strongly urge you to exclude the McCarthy-Nizina land from the DNR University Land Transfer, at least until the above mentioned land, access and subsistence issues can be evaluated and incorporated into an overall plan for the area. I think that it is irresponsible for the state to undertake this land transfer without considering the ramifications to existing land owners and the community of McCarthy. Please feel free to call or e-mail if you have any questions regarding potential problems associated with the proposed land transfer.

Sincerely,

Kelly M. Bay
Wrangell Mountain Air
907-554-4411
info@WrangellMountainAir.com

CC: Senator Thomas Wagoner
Rep. Mike Chenault
Rep. Woodie Salmon
Senator Albert Kookesh

Attachment to DNR Request for Hearing, House Finance Committee

Amendments in CSHB 130
Department of Natural Resources
March 10, 2005

HB 130, University Lands bill, was amended in House Resources. This is DNR's summary of the changes made to the bill:

page 5, line 27-28 - section on reserving valid existing rights, added "including a federal, state, or municipal agency" (DOT's request)

page 6, line 2-4 was added to allow DNR to reserve existing access routes, trails, roads in addition to those required under AS 38.05.127

page 7, lines 21-24, new section (m) allows DNR to make minor boundary adjustments to correct errors and omissions

page 7 - 8, new section (n) deletes seven parcels from the land list. These are:

- (1) Parcel Number CS.DI.1001, Duke Island;
- (2) Parcel Number CS.KI.1001, Kelp Island;
- (3) Parcel Number JU.LM.1001, Lena Creek;
- (4) Parcel Number KT.1004, Neets Creek;
- (5) Parcel Number MA.KR.1001, Kodiak Rocket Range;
- (6) Parcel Number PA.1001, Port Alexander; and
- (7) Parcel Number ST.1002, Warm Springs Bay.

page 8, lines 4-6. new section (o) prevents DNR from conveying two parcels (Biorka Island and Lisianski Peninsula) "until all Native Allotment applications ...have been denied"

Page 8, Section 6, was amended to reinstate more of what was in 2000 legislature's SB 7 regarding UA's process

Page 10, lines 20-22 were added as an additional requirement before land in the University Research Forest can be disposed of, specifically "that the disposal of the land will not interfere with commercially viable timber harvest and resource development".

Page 10, new section 9, adds to AS 29.65 a requirement that DNR include the acreage conveyed to UA under this bill when calculating entitlements for new municipalities. This provision prevents the acreage of their entitlement from being impacted by transfer to the University.



FRANK H. MURKOWSKI
GOVERNOR
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WWW.GOV.STATE.AK.US

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 4, 2005

The Honorable John Harris
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Harris:

Under authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that would provide for the conveyance of approximately 260,000 acres of state land to the University of Alaska (university), most of it over the next three years.

This bill is the product of more than a year of discussions between the Department of Natural Resources (department) and the university. Its major goal is to supplant the more time-consuming and expensive features of legislation enacted in 2000 (ch. 136, SLA 2000). Statutory changes enacted in ch. 136, SLA 2000 provided for a ten-year process during which the university would select up to 260,000 acres of state-owned land to be conveyed to the university for the primary purpose of generating income for the university. Unfortunately, that process has proved difficult, expensive, time-consuming, and subject to litigation. To date, no land has been conveyed to the university under ch. 136, SLA 2000.

Over the course of the past year, the university and the department have reached an agreement on land that may be conveyed to the university without unreasonably conflicting with programs associated with, and uses of, state land managed by the department. The land is identified in a document titled "University of Alaska Land Grant List 2005," dated January 12, 2005, a copy of which will be provided upon request. The bill I transmit today would provide legislative approval for the conveyance of that land to the university, thereby avoiding unnecessary delay and expense, and expediting a highly significant source of income for the university.

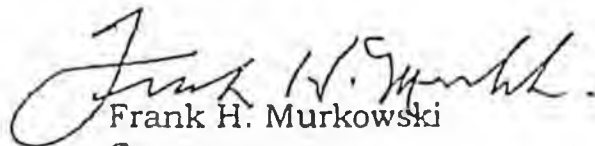
The bill also would establish a university research forest on certain land to be conveyed under the bill in 2055, or soon after that, that is located mainly in the Tanana Valley State Forest. The research forest would be used to advance research into forest practices, ecology, wildlife management, and recreation. Existing law authorizes the university to create a demonstration forest on land selected and

The Honorable John Harris
February 4, 2005
Page 2

conveyed under ch. 136, SLA 2000. This bill would repeal and reenact that law to establish the research forest without requiring a separate procedure. Because the land designated as the university research forest would not be conveyed to the university until 2055, it would be managed by the department until then under applicable state land use and forest management plans, and other applicable state law. While the research forest land is under department management, the department would be able to dispose of certain natural resources located on that land, so long as the disposal is consistent with the purposes of the research forest and complies with other applicable law.

I urge your prompt and favorable action on this measure, which will provide for the cost-effective and timely conveyance of land to the university in order to ensure a very significant and additional source of income for the support of public higher education in Alaska and to secure the benefits of a research forest.

Sincerely yours,


Frank H. Murkowski
Governor

Enclosure

PS. I was on Television
 with Senate yesterday till
 5:30 PM. I was in advertisement
 given your phone # 95-814
 instead of 956-813. Sorry
 for all the trouble but I
 would like this before the
 House Finance Committee
 morning Record on this bill

99-05

3 Pages

Ron FAY 907-678-2007
 Wiseman, Mr. 97790
 177 Newhouse

From: Jack Renkoff

Regarding HB 130
 Comments for Record

To: House Finance Committee

Comments on HB 130
To: The House Finance Committee

3-8-05
Jack Reakoff
114 Newhouse
Wiseman, AK, 99790
907 678-2007

~~I was born in Alaska and raised in
the Brooks Range area. Our family moved
to Wiseman in 1971 pre-pipeline. I am
on three advisory groups to the State
and Federal Fish & Game managers.~~

~~Over the years I have been involved
in commenting to the BLM on various
plans for land use in the Utility Corridor.
I favored the designation of "Development
Nodes" to contain impacts for necessary
services along the Dalton Highway, near Haggay
Valley, Coldfoot, and Yukon River.~~

~~The BLM did not consult us when
they conveyed to the State those Nodes.
We were assured that ADR would maintain
regulated orderly development, though.
Which brings us to HB 130.~~

②

Comments on HB 130

Jack Reakoff

I am opposed to granting these lands to the University of Alaska. The lands are all in the Utility Corridor. If future pipelines are to be constructed as intended in the "Trans-Alaska oil pipeline Act" (PL 95-153), the development nodes needs to remain regulated by DNR. Sale of lands in the nodes is counter productive. These nodes are where pipelines would be built.

I feel the MP 48-54, Coldfoot, and MP 345-347 should remain under DNR to accommodate orderly and necessary developments, which will NOT improve timber production.

Thank you,

Jack Reakoff

09 April 2004

TO: Alaska State Legislators
FROM: Brett Carlson, Coldfoot Camp
RE: COLDFOOT LAND TRANSFER, UA LANDS BILL

I urge you to give careful consideration to removing the 1700 acres of land described as "Haul Road Nodes - Coldfoot" from those land selected for transfer from the State to the UA in HB 130 and SB 96, the UA lands bill.

The UA Lands Bill has the potential to play a positive role in Alaska's economic development. By giving careful consideration to the specific lands selected for transfer, the Legislature has the opportunity to craft a bill that can serve as an effective vehicle for moving State lands that have been previously identified for a specific development purpose into the UA's capable development hands thus spurring positive economic growth and generating additional funds for the UA's important educational mission.

At best, those lands ultimately selected for transfer will be exclusively those lands that have been designated for a specific development purpose utilizing the State's Area Plan process to ensure broad participation in the land-use decision-making process by all potential stakeholders. In this best case scenario, the current values of surrounding private lands will be reflective of the potential development associated with nearby State lands and the UA's new land development will bring additional economic activity to the area and positively influence the value of both UA land and that of proximate private lands.

At worst, those lands ultimately selected for transfer to the UA will include some State land selected for transfer that has never been through the State's Area Plan process and thus never been formally identified for a specific development purpose. In this worst case scenario, State land will be selected for transfer to UA and slated for a development purpose that could not have been anticipated by the surrounding land owners, thus potentially harming the economic interests of proximate landowners, and even potentially damaging the long-term prospects for positive economic development in an area.

I would submit that the selection of land in the Coldfoot node on the Dalton Highway for transfer to the UA for "Settlement" development is an example of a worst case land transfer scenario.

Currently there exists no private land within the 1700-acre Coldfoot node. In 1978, Haul Road [now renamed Dalton Highway] ownership was transferred from Alyeska to the State. In 1981, a 20-acre parcel of then federal land managed by BLM was leased to private industry. The 20-acre Coldfoot lease was initially held by entrepreneur and dog musher Dick Mackey, then in 1990 transferred to ASRC subsidiary Petro Star, Inc., and finally to myself and my business partners in 2001.

The original intent behind the Coldfoot lease was to ensure that the steady stream of semi-tractor trailers hauling supplies and equipment to the oil fields at Prudhoe Bay had access to the critical services of lodging, food, fuel, vehicle maintenance, and tire repair at the halfway point

copy on file

of their 500-mile trek from Fairbanks. The owner and operator of the Coldfoot lease was required by contract to provide services 365 days per year and in recognition of the economic handicap created by this service requirement it was agreed that no competing lease would be allowed within the Coldfoot node. In 1992, the entirety of acreage contained within the 1700-acre Coldfoot node was transferred from BLM to the State. As new landlords, the State chose to continue the 365-day service requirement and explicitly reaffirmed the policy that any new leases within the node "should be complementary and not compete with existing development".

Clearly, as any Alaskan business owners, we made an initial investment and continuing investments into the Coldfoot lease based on the legitimate assumption that, over the short and medium-term, surrounding Coldfoot node lands would continue to be owned by the State and no competing leases would be allowed. At the same time, we did and do recognize that over the long-term change is inevitable. We also believe that we have every reason to expect that change on State lands within the Coldfoot node should and will be driven by a State-executed Area Plan developed utilizing a thorough public process involving all stakeholders. If the results of a future Area Plan process dictate further commercial development, the timeline for change should be one that allows our business to work with the State to alter the service requirements of our lease and plan for a new competitive business environment.

While the impact of the substantial economic injury caused to our own business interests by the proposed Coldfoot land transfer is obviously important to us, also of significant importance is the fact that the long-term economic interests for the region and its future business owners are damaged by the proposed Coldfoot land transfer. The Coldfoot node is certain to continue to grow in importance not just as an oil/gas related service area, but also as a base camp for visitors intent on enjoying the incredible landscape that is Alaska's Arctic. Careful planning will be required to ensure that we learn from mistakes made elsewhere in Alaska and manage future development in the Coldfoot node in a way that results in a service area that is both attractive and user-friendly for visitors, and thus maximizes future economic benefits to be realized in and from the region. The proposed Coldfoot land transfer eliminates the opportunity for careful State-managed land planning by circumventing the traditional State Area Plan process.

As previously stated, it is my belief that the UA Lands Bill has the potential to be a good idea. Unfortunately, the inclusion of the Coldfoot node as one of the proposed land transfers was done without any public notification and without the benefit of any public planning process. The result is a proposed Coldfoot land transfer that results in economic injury to both our current Alaskan business and to the economic interests of future Alaskan business owners. I once again urge you to strongly consider removing the proposed transfer of Coldfoot node land from the UA Lands Bill.

Thank you for your time and consideration.

Brett Carlson



Coldfoot Camp
907-474-3500
adventure@northernalaska.com

01/12/05

University of Alaska
Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx Area in Acres	Description/Plan Designation
Non-producing Oil and Gas Resources			
OG NE.1001	Nenana Gas Basin Tract	90,000	This parcel has oil and gas potential. Situated within the Nenana geologic basin, this area has a high probability for the presence of gas source rocks and a high probability that reservoir rocks are also present. Parcel excludes previous state subdivisions and DNR remote staking areas, and a current DNR remote staking area (Teklanika II). Buffer areas are to be created around this staking area, reducing the size of the parcel to about 90,000 acres. Public access, including future road access to state lands to the north and west of the parcel, are retained. <i>Wildlife Habitat and Forestry.</i>
	Oil and Gas Resources, Subtotal	90,000	
Investment Properties			
Northern/ Interior Region			
DH IS.1001	Dalton Highway MP 48 to 54	1,360	This parcel is located adjacent to the south bank of the Yukon River and the Dalton Highway. It is rather rugged topography, but has road access and views of the Yukon. <i>Public Recreation and Wildlife Habitat.</i>
DH SR.1001	Dalton Highway MP 345 to 347	880	This parcel is south of the old Sagwon airstrip, includes the Sagavanirktok River, the Dalton Highway, and the Alyeska pipeline. It is located near the intersection of winter trails to Umiat, proposed for a major road. The APSC 8" fuel gas line runs through the property. May be subject to AS 19.40.200(b)(2). <i>Transportation Corridor Land.</i>
MA HR.1001	Haul Road Nodes-Coldfoot	1,700	This parcel includes portions of the Coldfoot development node on the Dalton Highway. <i>Settlement.</i>
M1 JC.1001	Jarvis Creek	16,000	This coalfield occupies the easternmost sub basin of the Nenana Basin, a coal trend that holds the third largest coal reserve base in Alaska. The coal bearing section of this field is about 2,000 feet thick. Identified resources are 75 million short tons with a hypothetical resource of 175 million short tons. Tract excludes Mental Health Trust Land and active mining claims are excluded.

Resolution HB 130 – University Land Issues

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Neets Creek

Joseph M. Beedle
Vice President for Finance
Phone: (907) 450-8022
Fax: (907) 450-8023
joe.beedle@alaska.edu



208 Butrovich Building
910 Yukon Drive
PO Box 755120
Fairbanks, AK 99775-5120

UNIVERSITY
of ALASKA
Many Traditions One Alaska

Mr. John Burke, General Manager
Southern Southeast Regional Aquaculture Association, Inc.
14 Borch Street
Ketchikan, AK 99901

February 28, 2005

Re: Proposed University Land Grant
Neets Creek Parcel

*Rejected -
1,500 acres
lease for 20 acres
No compromise
offered*

Dear Mr. Burke:

During the legislative public hearing process on HB130, your organization sought assurances from the University of Alaska (UA) regarding SSRAA's continued uninterrupted use of Neets Creek lease area for a hatchery and cost recovery operation after title is transferred from the State of Alaska to UA. This letter addresses certain assurances that UA will agree to should a land grant bill be passed including the Neets Creek parcel (KT.1004).

Our first assurance is that UA will work with SSRAA and the Department of Natural Resources (DNR) to secure a formal lease agreement prior to the transfer of property to UA. Based on information that we have received from the DNR, Lease ADL No. 226285 is near completion and major negotiating points have been reached.

We have also agreed to provide a deed restriction that will provide for a right of first refusal for SSRAA to purchase the leased property. The deed restriction includes a provision restricting UA from developing or utilizing the leased property in any manner that negatively affects the use or occupancy of the property by SSRAA so long as the lessee lawfully occupies the property, retains its non-profit status and maintains significant hatchery and recovery operations at Neets Creek, without the written consent of SSRAA.

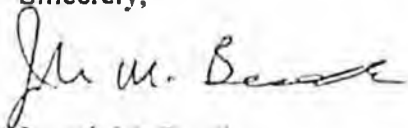
Attached please find draft deed restriction language that would be included in the transfer deed. UA is also proposing an amendment to HB130 (see attached), in section 6, subsection (b) that improves the public notice process and is intended to provide more engagement opportunity for affected land owners and the general public.

Mr. John Burke
Neets Creek Parcel
Page 2

We are confident that UA will be a good lessor and neighbor to SSRAA and look forward to more detailed interactions should this bill become law and should the Neets Creek parcel be transferred to UA.

Thank you for your communication efforts and courtesies extended to UA management as we work through this process.

Sincerely,



Joseph M. Beedle
Vice President for Finance

cc: House Resource Committee
DNR
Representative Jim Elkins

Attachments:
Deed Restrictions – Neets Creek
Public Notice Amendment

**NEETS CREEK
SOUTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION, INC.
DEED RESTRICTIONS**

ADD LANGUAGE TO THE "UNIVERSITY OF ALASKA LAND GRANT LIST."

[Insert for quitclaim deed from State of Alaska to the University of Alaska]

SUBJECT TO: Lease ADL. No. 226285 (Southern Southeast Regional Aquaculture Association, Inc.). Grantee shall not develop or utilize the above Property in any manner which negatively affects the use or occupancy of the Property by the Lessee so long as lessee lawfully occupies the Property, retains its non-profit status and maintains significant hatchery and recovery operations at Neets Creek/Bay, without the written consent of the Lessee, which consent shall not be unreasonably withheld.

Lessee's Right of First Refusal. Before any of the above Property may be sold for the first time by the Grantee, the Lessee shall have a right of first refusal to purchase the Property on the terms and conditions set forth below (the "Right of First Refusal").

(a) **Notice of Proposed Transfer.** Grantee shall deliver to Lessee a written notice (the "Notice") stating: (i) Grantee's bona fide intention to sell all or a portion of the Property; (ii) the name of the proposed purchaser(s) ("Proposed Purchaser"); (iii) the bona fide purchase price or other consideration for which Grantee proposes to sell all or a portion of the Property (the "Offer Price"); and (iv) the material terms and conditions of the proposed offer (the "Offer Terms"). The Notice shall be deemed Grantee's offer to sell the Property (or the portion of the Property affected by the proposed sale) to Lessee at the Offer Price and on the same Offer Terms stated in the Notice.

(b) **Exercise of Right of First Refusal.** At any time within 90 days after receipt of the Notice, Lessee may, by giving written notice to Grantee, elect to purchase the Property at the Offer Price and on the same Offer Terms stated in the Notice.

(c) **Termination of Right of First Refusal.** The Right of First Refusal shall terminate as to the Property (or the portion of the Property affected by the proposed sale) 90 days after receipt by Lessee of the Notice.

(d) **Assignment of Right of First Refusal.** The Right of First Refusal shall not be assigned.

University Lands
HB 130
UA Public Notice Section 6 Amendment – March 3, 2005

Subsection (b) – Public Notice

In HB-130 the University proposed to amend subsection (b) of the existing AS 14.40.366 (2000 Senate Bill 7) to read as follows:

- (b) The University of Alaska shall give public notice of sales, leases, exchanges and transfers of lands conveyed to Board of Regents in trust for the University of Alaska under AS 14.40.365.

Based on public testimony the university proposes to amend subsection (b) to read as follows:

- (b)(1) On lands conveyed to the Board of Regents in trust for the University of Alaska under AS14.40.365

(A) the university shall seek public comment on proposals for land development, exchange, or sale;

(B) the Board of Regents shall adopt policies that require the preparation of land development plans and land disposal plans;

(C) the Board of Regents shall adopt policies requiring public notice of not less than 30 days prior to approval of land development plans and land disposal plans including

(i) notice of the proposed action to local legislators, municipalities and legislative information offices in the vicinity of the action and at other locations as the university may designate;

(ii) legal notice to be published in newspapers of general circulation in the vicinity of the proposed action at least once a week for two consecutive weeks; and

(iii) notice of the proposed action being published on state and university public notice websites.

- (b)(2) As used in this section "development, exchange, or sale" does not include easements, rights of way or development of campus facilities.

Kodiak Launch Complex

Joseph M. Beedle
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UNIVERSITY
of ALASKA

Many Traditions One Alaska

Mr. Jerome Selby, Mayor
Kodiak Island Borough
710 Mill Bay Road
Kodiak, Alaska 99615

February 28, 2005

**Re: Proposed University Land Grant
Kodiak Launch Complex**

Dear Mayor Selby:

Thank you for inviting the University of Alaska to meet with the Kodiak Island Borough Assembly on March 3, 2005. Mari Montgomery, Director of Land Management, and I are looking forward to an opportunity to listen to the Assembly's concerns regarding the transfer of the Kodiak Launch Complex (KLC) property, approximately 2,880 acres, to the University of Alaska under proposed House Bill 130 / Senate Bill 96, the state land grant legislation now pending in the State Legislature. In turn, we hope to explain why owning the KLC property is compatible with the University's core mission, reach a mutual understanding of the existing constraints on management of the KLC, and demonstrate the University's commitment to being a good neighbor.

The University of Alaska has been in the aerospace research business since at least 1930, when Veryl Fuller, the only member of the physics department at the Alaska Agricultural College and School of Mines, began to measure the height of the aurora using two specially designed, synchronized cameras. His work was completed by Ervin Bramhall, who published their results in 1937. Nine years later, Congress authorized an appropriation to establish the Geophysical Institute, in part because aurora activity interfered with high frequency military radio reception. Since that time, research interests at the Geophysical Institute have broadened to include space physics; atmospheric sciences; snow, ice, and permafrost; sedimentation and tectonics; seismology; volcanology; and remote sensing. Given Kodiak's location and geologic history, many of these areas of scientific inquiry by the Geophysical Institute appear to have already had direct benefit to the residents of your borough.

The University has operated the Poker Flat Research Range since 1968, it is the only university owned and operated high-latitude, auroral-zone rocket launching facility in the United States. The University's Geophysical Institute has launched over 1,600 meteorological missiles and 299 major, high-altitude sounding rocket experiments by scientists and technicians from a variety of federal agencies and international universities. The Poker Flat Research Range is located

approximately thirty miles northeast of Fairbanks and compares closely to the KLC as to location, size, and distance to communities. The University has land use authorizations relating to its operations with the Bureau of Land Management; the Alaska Division of Mining, Land and Water (DMLW), the U.S. Fish and Wildlife Service; Doyon, Ltd.; and the Traditional Village Councils of Venetie and Arctic Village on a case by case basis to retrieve payloads and debris from their properties.

The area in which the University operates is in close proximity to a very populated area of Alaska and is bisected by the Steese Highway. This is a State of Alaska Department of Transportation (DOT&PF) maintained 162 mile long transportation corridor that serves numerous small communities, mining operations and popular recreation areas. The University's launch facility has co-existed peaceably in this area for more than thirty-five years with neighbors such as residential homeowners, downhill ski slope operators, tourism operators, miners, trappers, hunters, recreational trail users. Other compatible multiple uses in the area include the Fort Knox Gold Mine, Department of Army Seismic Sensing Station, Historical Chatanika Gold Camp, Chatanika Lodge, Upper Chatanika River State Recreation Area, McKay Creek Trailhead and Trail and White Mountains National Recreation Area.

During major launch operations the University is authorized by DOT&PF to close the Steese Highway for periods of no longer than 20 minutes. In addition to brief closures of the highway, during certain launches, the University offers to relocate and pay a per diem to several homeowners in close proximity to the launch facility. Notices of major launch activities are provided to the newspaper, local business owners and residents and posted at popular recreation trailheads. Simply put, the University has extensive experience in balancing the management of a launch facility with popular public use areas.

The Alaska Aerospace Development Corporation (AADC) occupies the KLC under an existing Interagency Land Management Assignment (ILMA) granted by the DMLW in 1994 and revised in 2003. Only the area identified for potential conveyance to the University is the area under the current ILMA. The conveyance would also be subject to Section 5 of the proposed legislation which states:

Sec. 14.40.365...(e) Land conveyed under this section to the Board of Regents in trust for the University of Alaska is subject to any valid possessory interest or other valid existing right, including any lease, license, contract, prospecting site, claim, sale, permit, right-of-way, or easement held by another person on the effective date of this section.

Other existing interests on the Kodiak Launch Complex include powerline easements, a grazing lease, the Loran Station lease, an Omnibus Act road, and material sites. The University regards the ILMA as the functional equivalent of a lease. The conveyance would be subject to all of these interests and easements, ensuring access to public and navigable waters.

The existing ILMA to the AADC includes the following terms and conditions, among others:

- The term is for 30 years, expiring May 17, 2024, and may be cancelled earlier for non-use.
- The ILMA may be renewed under the same terms and conditions as long as the land continues to be used for an orbital launch facility or other aerospace related activity.
- The ILMA assigns to AADC jurisdiction and management of the surface and so much of the subsurface estate as needed under the development plan.
- The Landlord may review "at regular intervals to analyze current and proposed uses as these uses relate to alternative uses for all or part of the land and to determine the uses which best provide for the public interest." (AS 38.04.060(b))
- Public access to state lands, tidelands and waterways shall not be blocked or restricted in any way on state land.
- AADC may restrict public access through the ILMA parcel to protect public safety and the assignee's improvements. (The DMLW currently interprets this to mean "during launches and hazardous operations.")

On January 27, 2004, the AADC requested additional management authority over Ugak Island and the mountaintops around the ILMA during launches and hazardous operations because of national security concerns. The request encompassed an additional 14,048 acres. On November 12, 2004, the Southcentral Regional Manager issued a Draft Decision that 1) proposed adding Ugak Island to the existing ILMA and 2) proposed an alternate procedure for managing public access. Under the Draft Decision, the Southcentral Regional Office of the DMLW will respond in writing to a written request from the AADC to restrict public access to the area outside of the existing ILMA on a case by case basis. While the comment period on the draft decision closed on January 14, 2005, a final decision has not yet been issued by the Regional Manager.

Given the terms of the existing ILMA, the University is constrained from interfering with the AADC's jurisdiction over the KLC. However, it appears that there are several opportunities for synergy between AADC programs and the existing research programs at the Geophysical Institute. These include learning from each other's experiences; testing methods, designs, and procedures; building on the Geophysical Institute's familiarity with commercial applications to expand capacity at the KLC; designing research projects that take advantage of both locations; and using the Kodiak facility for an observation site or a field station for other programs in the earth sciences, global climate change, and space and upper atmospheric sciences. The University fully understands that any of these initiatives will require the concurrence and cooperation of the AADC. In addition, should the AADC cease orbital launch activities for any reason, the University would be well positioned to use the existing facilities for its own research purposes.

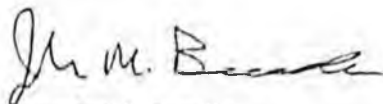
The University is aware of the contention over the existing and proposed activities at the KLC and the concern that University ownership of the KLC would further complicate these issues. We expect to learn more about local concerns at the meeting with the assembly. To demonstrate the University's commitment to being a good neighbor to the residents of the Kodiak Island Borough, should the pending legislation be enacted into law, we propose to provide a deed restriction granting the Kodiak Island Borough a 90-day right of first refusal for the Kodiak

Mr. Jerome Selby
Kodiak Launch Complex
Page 4

Launch Complex. This restriction would be recorded and would ensure the Borough's control over future uses of the property.

I am sending this letter in advance of the March 3rd Assembly Meeting with the hope that it will be included in the assembly packets distributed before the meeting. Please do not hesitate to contact me at the number shown above, or Mari Montgomery at 907-786-7766, should you have any questions. We look forward to a full and productive discussion of these issues next week in the hope of finding grounds for mutual understanding and support.

Sincerely,



Joseph M. Beedle
Vice President for Finance

cc: House Resource Committee
KIB Assembly Members

Attachments:

KLC, Deed Restriction
ILMA ALD# 226285 Information Points
HB 130 Public Notice Amendment
Kodiak Rocket Range Map

**KODIAK ROCKET RANGE
KODIAK ISLAND BOROUGH DEED RESTRICTIONS**

ADD LANGUAGE TO THE "UNIVERSITY OF ALASKA LAND GRANT LIST."

[Insert for quitclaim deed from State of Alaska to the University of Alaska]

SUBJECT TO: ILMA ADL. No. 226285 (Alaska Aerospace Development Corporation). Grantee shall not make any material amendments the ILMA without the written consent of the Kodiak Island Borough, which consent shall not be unreasonably withheld.

Kodiak Island Borough Right of First Refusal. Before any of the above Property may be sold for the first time by the Grantee, the Kodiak Island Borough ("KIB") shall have a right of first refusal to purchase the Property on the terms and conditions set forth below (the "Right of First Refusal").

(a) **Notice of Proposed Transfer.** Grantee shall deliver to KIB a written notice (the "Notice") stating: (i) Grantee's bona fide intention to sell all or a portion of the Property; (ii) the name of the proposed purchaser(s) ("Proposed Purchaser"); (iii) the bona fide purchase price or other consideration for which Grantee proposes to sell all or a portion of the Property (the "Offer Price"); and (iv) the material terms and conditions of the proposed offer (the "Offer Terms"). The Notice shall be deemed Grantee's offer to sell the Property (or the portion of the Property affected by the proposed sale) to KIB at the Offer Price and on the same Offer Terms stated in the Notice.

(b) **Exercise of Right of First Refusal.** At any time within 90 days after receipt of the Notice, KIB may, by giving written notice to Grantee, elect to purchase the Property at the Offer Price and on the same Offer Terms stated in the Notice.

(c) **Termination of Right of First Refusal.** The Right of First Refusal shall terminate as to the Property (or the portion of the Property affected by the proposed sale) 90 days after receipt by KIB of the Notice.

(d) **Assignment of Right of First Refusal.** The Right of First Refusal shall not be assigned.

ILMA: Interagency Land Management Assignment

- Defined as "an agreement between DNR and another state agency that transfers some land management responsibility to the other agency."
- University would accept title subject to the ILMA. UA considers it similar to a lease.

Provisions of 2003 ILMA

- 3,717 acres (Note: when the Loran Station lease terminates (2017 or earlier), that real property (87 acres) also becomes part of the ILMA.)
- Term is 30 years: expires May 17, 2024; may be cancelled earlier for non-use.
- May be renewed under the same terms and conditions as long as the land continues to be used for an orbital launch facility or other aerospace related activity.
- Assigns to AADC jurisdiction and management of the surface and so much of the subsurface estate as needed under the development plan.
- Subject to all valid existing rights, including lease, easements, and reservations of record.
- Landowner may review "at regular intervals to analyze current and proposed uses as these uses relate to alternative uses for all or part of the land and to determine the uses which best provide for the public interest." (AS 38.04.060(b))
- Public access to state lands, tidelands and waterways shall not be blocked or restricted in any way on state land.
- AADC may restrict public access through the ILMA parcel to protect public safety and the assignee's improvements. (DNR interprets this to mean "during launches and hazardous operations." See p. 3 of 11-12-04 Draft Decision)

AADC 2004 Expansion Application of January 27, 2004

- 14,048 acres.
- Area requested is NOT part of the original ILMA or the parcel currently proposed for conveyance to UA; (however, under DNR's Draft Decision, Ugak Island is proposed for addition to the ILMA, and DNR may intend for UA to include it in the Land Grant)
- AADC requested additional management authority over Ugak Island and mountaintops around the ILMA during launches and hazardous operations because of national security concerns.

DNR Draft Decision of November 15, 2004

- Opportunity for public comment ended January 14, 2005.
- Public Comments received:
 - Questioned the need for additional buffer.
 - Application not in compliance with NEPA and Land Management Requirements
 - Difficulty in predicting closure schedules: dates, length affect
 - Access to public land
 - Negative impact on recreation (hunting, fishing, hiking)
 - Negative impact on tourism
 - Believed part of a comprehensive land grab to convert Narrow Cape Area to a "launch-related exclusion zone"
 - Commercial Launch Complex has morphed into a strictly Military operation
- DNR is now considering comments received and preparing its final decision.

University Lands
HB 130
UA Public Notice Section 6 Amendment – March 3, 2005

Subsection (b) – Public Notice

In HB-130 the University proposed to amend subsection (b) of the existing AS 14.40.366 (2000 Senate Bill 7) to read as follows:

- (b) The University of Alaska shall give public notice of sales, leases, exchanges and transfers of lands conveyed to Board of Regents in trust for the University of Alaska under AS 14.40.365.

Based on public testimony the university proposes to amend subsection (b) to read as follows:

- (b)(1) On lands conveyed to the Board of Regents in trust for the University of Alaska under AS14.40.365

- (A) the university shall seek public comment on proposals for land development, exchange, or sale;

- (B) the Board of Regents shall adopt policies that require the preparation of land development plans and land disposal plans;

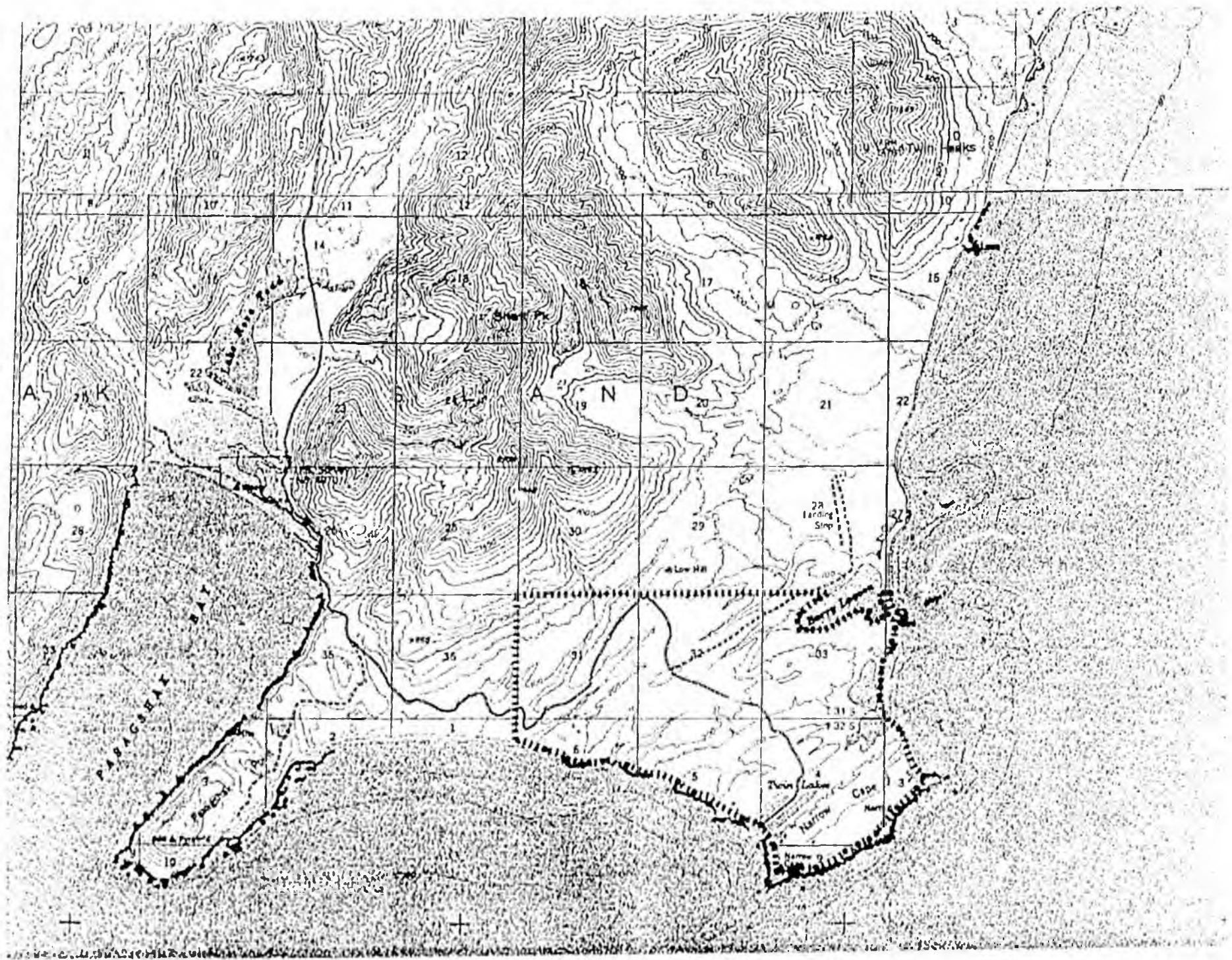
- (C) the Board of Regents shall adopt policies requiring public notice of not less than 30 days prior to approval of land development plans and land disposal plans including

- (i) notice of the proposed action to local legislators, municipalities and legislative information offices in the vicinity of the action and at other locations as the university may designate;

- (ii) legal notice to be published in newspapers of general circulation in the vicinity of the proposed action at least once a week for two consecutive weeks; and

- (iii) notice of the proposed action being published on state and university public notice websites.

- (b)(2) As used in this section “development, exchange, or sale” does not include easements, rights of way or development of campus facilities.



Section 6
University Public Notice and Process

University Lands

HB 130

UA Public Notice Section 6 Amendment – March 3, 2005

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- (iii) notice of the proposed action being published on state and university public notice websites.

- (b)(2) As used in this section "development, exchange, or sale" does not include easements, rights of way or development of campus facilities.

Municipal Entitlements Amendment

Page 9, following line 11:

Insert a new bill section to read:

Sec.9. AS 29.65.030 is amended by adding a new subsection to read:

(d) For the purpose of determining the general land grant entitlement under (a) of this section, the maximum total acreage of vacant, unappropriated, unreserved land within the boundaries of the municipality between the date of its incorporation and two years after that date shall be increased by the amount of land located within the boundaries of the municipality that is transferred to the University of Alaska under AS 14.40.365.

Proposed Amendment for Trails/Easements/Misc Errors

PROPOSED NEW LANGUAGE IN BOLD CAPS

Sec. 5. AS 14.40.365 is repealed and reenacted to read:

Sec. 14.40.365. University state-grant land. (a) Except as provided in (b) of this section, before July 1, 2008, the commissioner of natural resources shall convey to the Board of Regents in trust for the University of Alaska, by quitclaim deed, the state land identified for conveyance to the university and described in the document titled "University of Alaska Land Grant List 2005," dated January 12, 2005. **THE COMMISSIONER MAY MAKE MINOR ADJUSTMENTS TO THE MAPS OR LEGAL DESCRIPTIONS WHERE THE ORIGINAL MAPS AND DESCRIPTIONS CONTAIN OMISSIONS OR ERRORS.**

- (e) Land conveyed under this section to the Board of Regents in trust for the University of Alaska is subject to any valid possessory interest or other valid existing right including any lease, license, contract, prospecting site, claim, sale, permit, right-of-way, or easement held by another person, **INCLUDING FEDERAL, STATE OR MUNICIPAL AGENCIES** on the effective date of this section.

- (f) Before conveying land under this section, the commissioner of natural resources shall reserve access under AS 38.05.127, but other provisions of AS 38.04 and AS 38.05 do not apply to the commissioner's preparation for conveyance of land to the Board of Regents in trust for the University of Alaska under this section. **IN ADDITION TO ACCESS UNDER AS 38.05.127, THE COMMISSIONER MAY RESERVE IN THE CONVEYANCE DOCUMENT EXISTING TRAILS, ROADS, AND OTHER ACCESS ROUTES THAT PROVIDE PUBLIC ACCESS TO ADJACENT LANDS AND PUBLIC WATERS.**

University of Alaska Land Grant List 2005



Alaska Department of Natural Resources
January 12, 2005

Overview of The Land List

This section provides a general description of the Land List and a table containing specific information related to the parcels in the Land List.

Geographic Distribution.

Most of the land proposed for transfer to the University of Alaska is in the Northern and Interior area of the state. This is primarily because two large parcels — the University Research Forest and the Nenana Oil and Gas Basin are in the Interior. Both South-central and Southeast have considerably smaller amounts of state land.

- Northern/Interior. Most state land on the Land List occurs in the Northern region, which comprises 202,776 acres or 78.0% of the total acreage. Most of this land is associated with oil and gas (90,000 acres) and coal (16,000 acres) resource values, or are intended for educational/research functions (87,784 acres). The oil and gas tract is situated west of Nenana and the coal tract, within an area known as 'Jarvis Creek', which is situated south of Delta Junction. Tracts with an intended education function are associated either with forestry research in the proposed University Research Forest (a part of today's Tanana Valley State Forest) and the Tok Research Forests (55,835 acres) or with watershed research in the Caribou and Poker creeks watersheds north of Fairbanks (24,250 acres). There is a small amount of investment properties in the Northern region, which are primarily intended for residential, commercial, or industrial development.
- Southcentral. South-central tracts total 17,110 acres (6.6% of the total) and consists of mostly of investment properties near the Willow-Houston (1,730 acres) and McCarthy (12,500 acres) areas and some educational properties (2,880 acres at the Kodiak Launch Facility).
- Southeast. Southeast, with 49,114 acres or 15.4% of the total, consists largely of remote tracts and areas around communities, which have mostly settlement, general recreation, and some limited forestry values. These tracts are scattered throughout Southeast Alaska, extending from the Lynn Canal north of Juneau to Duke and Kelp Islands south of Ketchikan. Most of these tracts are situated within Prince of Wales Island or near the communities of Wrangleil, Pelican, Sitka, and Tenakee Springs. Only a small amount (12 acres) of education properties occur in the Southeast (a research facility in Juneau and the Sitka Campus of the University).

Parcel Description

The table that follows gives a brief description of the each parcel proposed for transfer. It describes Investment and Oil and Gas tracts geographically by the three regions of Northern/Interior, South-central, and Southeast. A description of Educational Properties follow this listing. The table contains the following information: parcel number, parcel

name, acreage, and a column titled 'Comments'. The Comments column indicates the general location of each parcel, describes the main features of the parcel, indicates its possible use, and indicates the land use designation(s) for the parcel based on existing DNR land use plans. The land use designations contained in the DNR land use plans do not apply to the land after it is transferred to the University. Generally, the 'Investment Properties' parcels have been selected based upon their development potential and are designated in DNR land use plans for multiple use, settlement, or public recreation. These plan designations are italicized in the table.

This table is linked to the maps that follow the Land List. Parcel numbers and names are the same in the land list, table, and maps.

Summary of Parcel Resource Values

- Nenana Oil and Gas Tract (90,000 acres)

A 90,000 acre tract of state-owned land with oil and gas potential within the Nenana Basin is proposed for conveyance. This basin has a high probability for presence of gas source, and a high probability that reservoir quality rocks are also present. This tract excludes previous state subdivisions and DNR remote recreational cabin staking areas. Although the tract includes the remote recreational cabin staking area known as Teklanika II, where staking is still underway, buffers of state land will be retained by DNR before this tract is conveyed to the University. The area is part of the Oil and Gas License owned by Andex Corporation, and the land will be transferred subject to the License.

- Investment Properties *other than* in Southeast (39,222 acres)

Lands proposed for transfer include 39,222 acres of state land within the South-central and Northern/Interior regions that are considered to have investment potential. Certain of these tracts are probably best suited for commercial or industrial development: examples include the tracts along the Dalton Highway. The majority are probably best suited for some form of residential development, either for rural subdivisions near community areas (Willow Creek Road and Frying Pan Lake) or for remote recreational development (Lake Snohomish and Wien Lake).

The Jarvis tract provides a coal production potential. A 16,000-acre area near Jarvis Creek occupies the easternmost sub-basin of the Nenana Basin, a coal trend that holds the third largest coal reserve in Alaska. Identified resources are 75 million short tons with a hypothetical resource of 175 million short tons. The areas of Mental Health Trust Land and active mining claims are excluded from the tract. The 2,560 acres of coal leases would be conveyed, subject to the continuation of the lease for the period of their duration.

- Southeast Alaska (40,114 acres)

40,114 acres of state land in Southeast Alaska are to be conveyed. Because the state owns only a small amount of land scattered throughout Southeast, these tracts are comparatively small in size and are distributed throughout Southeast. Most of these tracts were acquired by the state for community and recreational development and may be developed by the University for community or remote recreational settlement; examples include state land at Hollis, Ketchikan, or Edna Bay. There are also a few that have commercial potential; examples include Harris Road Junction, Ward Cove, El Capitan South, and Idaho Inlet, although most of these could also be used for residential purposes. A limited number of tracts have commercial timber potential. The latter are not considered essential to the existing DNR Southeast Alaska value-added forestry program.

- Educational Properties (90,676 acres)

This category includes twelve properties that are either important to current University educational or research programs or that can be developed for such programs. Their primary purpose is educational, not for revenue-generation. These state land tracts occur in the Northern Region, except for the Sitka Campus, Auke Weir tracts in Juneau, and the Kodiak Launch Facility. Two tracts constitute the bulk of the acreage in this category: the Caribou-Poker creeks watershed and the proposed University Research Forest. The former, consisting of about 24,250 acres is located north of Fairbanks and is used exclusively by the University for hydrologic research. The University Research Forest includes land currently within the Tanana Valley State forest. It is 51,820 acres and is situated southwest of Fairbanks. This acreage of this parcel constitutes the bulk of the Educational Property acreage.

The University Research Forest will be retained and managed by DNR for a period of 50 years, after which it will be conveyed to the University. This will allow DNR to continue to manage the public uses such as recreation and hunting, and to continue the commercial timber harvest operation for this period of time. However, all management activities are to be consistent with the research needs for the Forest. This Forest will be one of the country's largest university-related forests and may be an important asset for University forest-related research.

Public Access

Public access is retained across the state land conveyed to the University. DNR has identified known access routes, including Omnibus Roads, existing state or federal rights-of-way, and RS2477 trails). These routes are depicted on the parcel maps. Public access is also been retained along coastlines, navigable rivers and lakes, routes traditionally used by the public for access, and along section-line easements. Except for section line easements, these access routes are depicted on the parcel maps.

On-line information and Contact Information

This report, including the parcel maps, may be viewed at the DNR website:
<http://www.dnr.state.ak.us/>

For general information regarding the Land List, contact either Bob Loeffler or Dick Mylius (269-8600) in Anchorage. For more detail on specific parcels, contact Bruce Phelps at 269-8592 in Anchorage or email: bruce_phelps@dnr.state.ak.us

Department of Natural Resources
University Land Transfer
Factsheet
February 4, 2005

Introduction

An academically strong and financially secure state university system is a cornerstone of the longer-term development of a stable population and of a healthy, diverse economy in Alaska. It is in the best interests of the State and the University of Alaska that the University own a significant and substantial portfolio of income-producing land to provide financial support for public higher education in Alaska. It is also in the interest of the State and the University to provide the University with land to encourage and foster natural resources education and research important for Alaska.

SB 7 (Chapter 136, SLA 2000)

In 2000, the Alaska Legislature passed Senate Bill 7, which provided a process for the University of Alaska to select and eventually own 260,000 acres of State land. Unfortunately, implementing the bill proved difficult, expensive, time-consuming, and subject to litigation. To date, no lands have been conveyed to the University to implement the law. In addition, uncertainty over what State land the University may or may not select created a disincentive for investment and development, and the 10-year conveyance process had the potential to discourage development and use of State land. The fiscal note that accompanied SB 7 envisioned a 10-year process that would cost \$17 million.

By identifying specific lands to transfer to the University, this proposal implements the intent of SB 7. It transfers the same amount of land, 260,000 acres, but does so in a way that is less expensive and quicker. All but one of the 71 parcels in the Governor's proposal will be transferred within three years at a cost that is less than 5% of the SB 7 estimate. This proposal also eliminates the potential disincentive to development, because once the legislation passes, the eventual land manager is immediately clear. Finally, restrictions in SB 7 made it difficult for the University to gain land with significant income producing potential. The Governor's 260,000-acre proposal provides much better income-producing land than was available under SB 7.

Lands to be Transferred to the University of Alaska

The lands proposed to be transferred to the University are summarized below:

Type of Property	No. of Parcels	Approximate Acreage
Investment Properties, Southeast Alaska	44	40,102
Investment Property, Other than Southeast	14	39,222
Nenana Basin Oil and Gas	1	90,000
Educational Properties	12	90,676
Total:	71	260,000

In developing a list of investment properties to be transferred, the Department of Natural Resources (DNR) and the University of Alaska focused primarily on lands that had been designated settlement, general use, or general public recreation in DNR land-use plans. The list does not include any lands designated for timber harvest in Southeast Alaska because conveying these lands to the University would decrease DNR's allowable cut there. Nor does it include lands tentatively scheduled for sale by DNR within the next five years, as conveying these lands would leave DNR unable to meet its near-term land sale goals. The list does not include lands on which municipal selection applications have been filed. The list does not include any producing oil and gas or mineral properties, nor legislatively designated State Game Refuges, Critical Habitat Areas, Parks, or Public Use Areas.

The 44 investment parcels in Southeast Alaska are expected to have the greatest near-term income potential. Because of the limited State land in Southeast Alaska, these tracts are comparatively small and are distributed throughout the area.

The remaining investment properties, distributed throughout the State, include some lands suited for commercial or industrial development, but the majority is suited for residential or recreational development.

The Nenana Basin Oil and Gas property is a single 90,000-acre tract within the Nenana Basin. It is located west of the Nenana River across the river from the City of Nenana. DNR and the University believe the tract has significant potential for gas development. The area is part of the Oil and Gas License owned by Andex Corporation. The tract would be transferred to the University of Alaska subject to the Andex license.

The 12 educational properties are intended to strengthen the University of Alaska's education and research programs. Most are located in the Fairbanks area. The largest is a 51,820-acre tract southwest of Fairbanks within the Tanana Valley State Forest. This area, which includes the Bonanza Creek Experimental Forest, would become the University Research Forest. It will be one of the largest university-related forests in the country and will be an important asset to the University for forestry and related research. For at least the next 50 years, DNR would continue to manage the public uses in this area, such as recreation, and would continue to use the area for commercial timber sales, consistent with the needs of the University Research Forest.

Land Transfer Process

Under the proposed legislation, DNR will transfer all but one of the parcels to the University of Alaska within three years of the bill's passage. During those three years, DNR will complete the required title search, and will reserve appropriate public access easements, navigable waters, etc. Actual authority for management will change on the date the deeds are recorded. The exception to the three-year transfer is the University Research Forest. As noted above, for the next 50 years, DNR will continue to manage the forest for commercial timber and public use in a manner consistent with the University's research needs. Finally, all transfers are subject to valid existing rights.

Summary — A Strong Financial Base

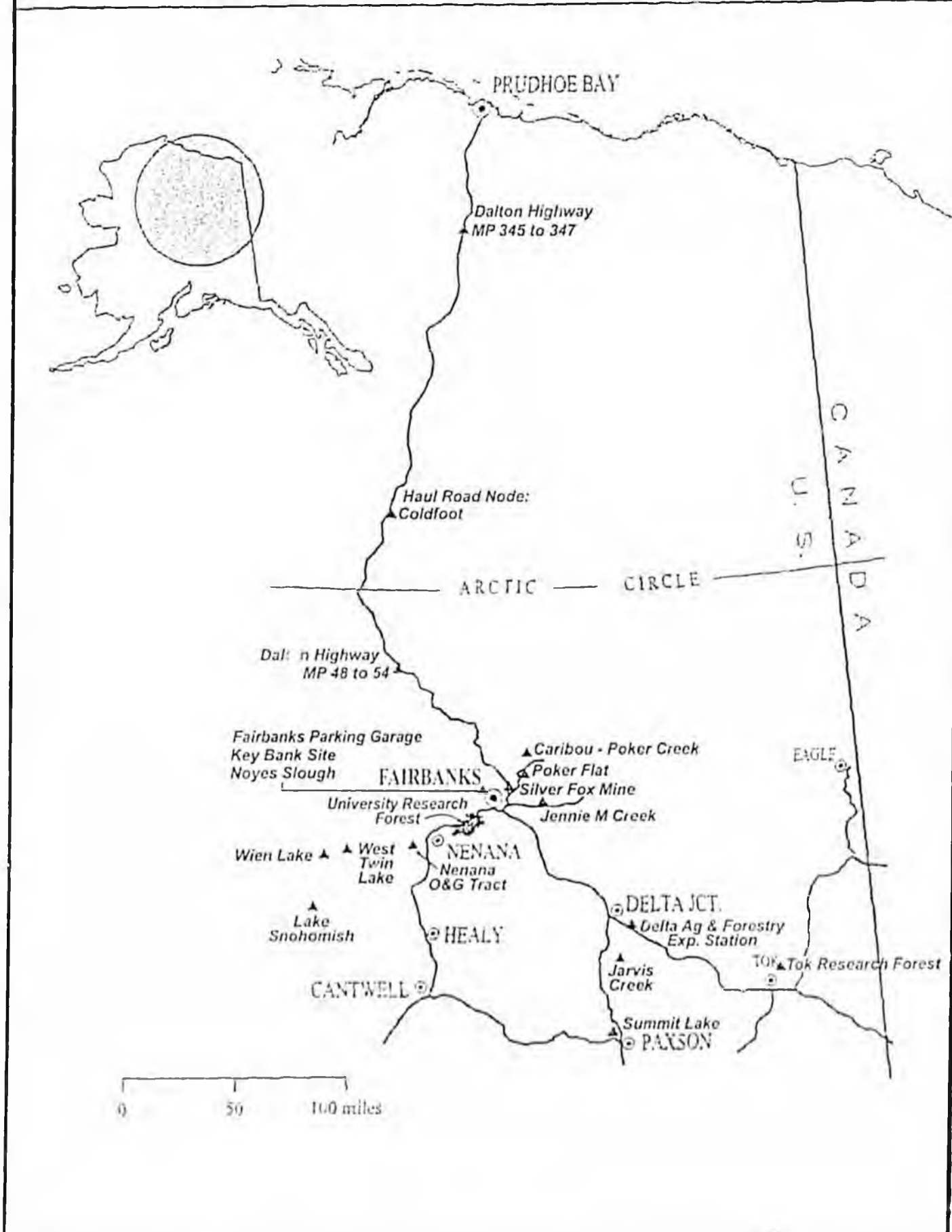
This transfer will provide the University with potential for near-term and long-term income. The investment properties — those in Southeast and elsewhere in Alaska — provide some near-term and medium-term revenue potential. However, it will take some time and effort to turn even the land with near-term income potential into revenue for the University. Despite the delay in creating income for the University, this land will strengthen the University's financial base.

The Nenana Oil and Gas Tract provides important long-term income potential. If marketable quantities of gas are found and developed on that tract, there is the potential for a significant, multi-year income stream to the University.

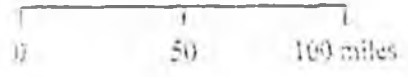
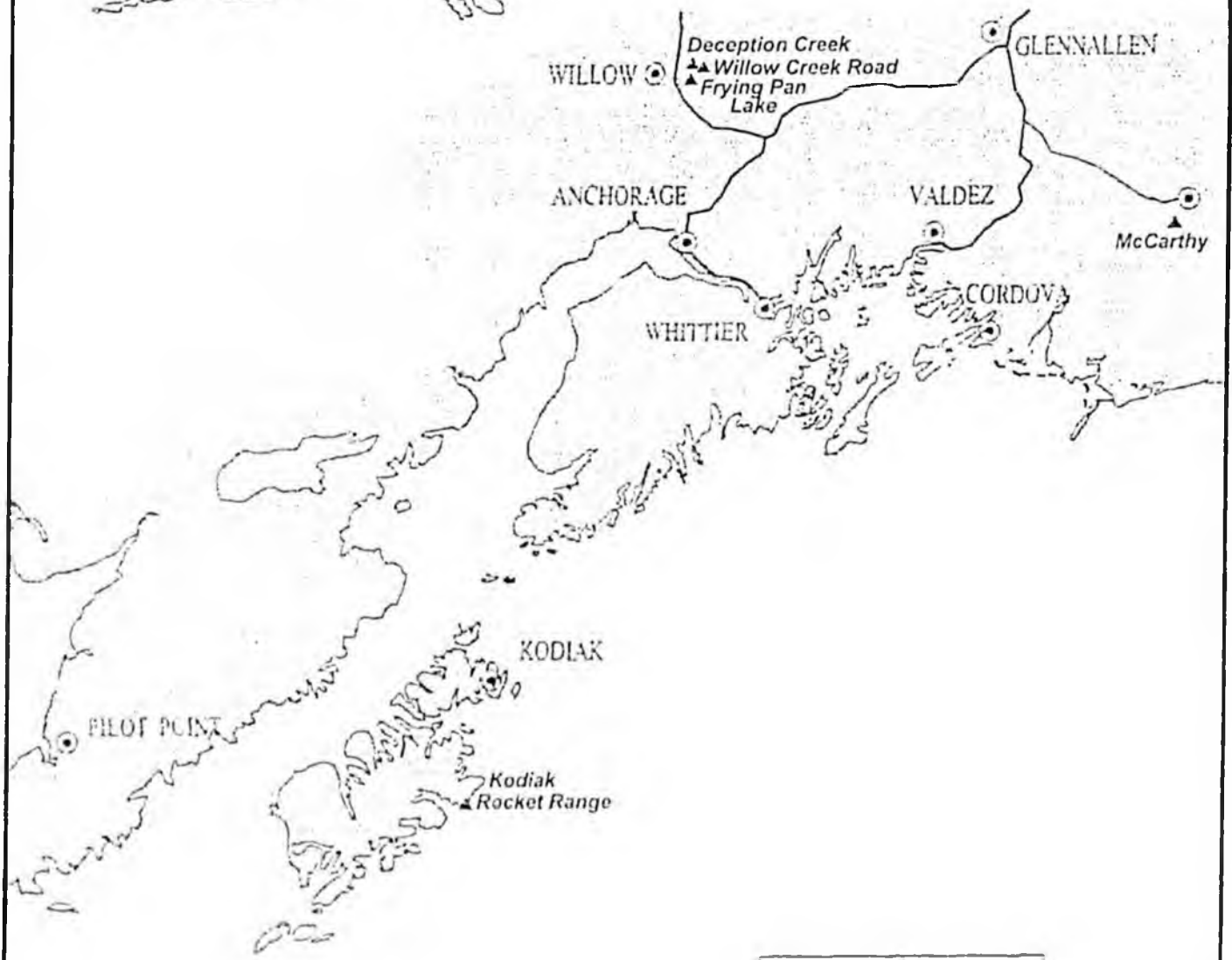
Summary — A Strong Educational Base

The educational properties strengthen the University's educational mission. The University Research Forest and other properties, such as the Caribou-Poker Creek Watershed, provide dedicated land for University education and research. Ownership by the University strengthens its natural resources education and research missions.

NORTHERN - INTERIOR REGION



SOUTHCENTRAL REGION



SOUTHEAST REGION



HAINES

William Henry Bay
Chilkoot
Ivanhoe

JUNEAU

Auke Weir
Lynn Canal
Sumdum
Lena Creek

NORTHERN SOUTHEAST

Excursion Inlet
Pelican
Tenakee Springs
Idaho Inlet
Mile Cove

SITKA

Middle Island
Sitka Campus
Biorka Island
Warm Springs Bay
Port Conclusion
Port Alexander
Lisianski Peninsula

KUIU ISLAND

Rowan Bay

PRINCE OF WALES ISLAND

Coffman Cove
Edna Bay
El Capitan North, South
Hollis
Harris Road Junction
Hook Arm
Moir Sound/Nowiskay Cove
Naukati Sound
Port Delores
Thorne Bay

KETCHIKAN

Duke Island
Kelp Island
Leask Cove
Moser Bay
Ward Cove
Cleveland Peninsula
Neets Creek

PETERSBURG

Beecher Pass
Favor Peak
Three Lake Road
Read Island
Whitney Island

WRANGELL

Earl West Cove
Olive Cove
Thoms Place



01/12/05

University of Alaska
Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
Non-producing Oil and Gas Resources			
OG.NE.1001	Nenana Gas Basin Tract	90,000	This parcel has oil and gas potential. Situated within the Nenana geologic basin this area has a high probability for the presence of gas source rocks and a high probability that reservoir rocks are also present. Parcel excludes previous state subdivisions and DNR remote staking areas, and a current DNR remote staking area (Teklanika II). Buffer areas are to be created around this staking area, reducing the size of the parcel to about 90,000 acres. Public access, including future road access to state lands to the north and west of the parcel, are retained. <i>Wildlife Habitat and Forestry.</i>
	Oil and Gas Resources, Subtotal	90,000	
Investment Properties			
Northern/ Interior Region			
DH.IS.1001	Dalton Highway MP 48 to 54	1,360	This parcel is located adjacent to the south bank of the Yukon River and the Dalton Highway. It is rather rugged topography, but has road access and views of the Yukon. <i>Public Recreation and Wildlife Habitat.</i>
DH.SR.1001	Dalton Highway MP 345 to 347	880	This parcel is south of the old Sagwon airstrip, includes the Sagavmirktok River, the Dalton Highway, and the Alyeska pipeline. It is located near the intersection of winter trails to Umiat, proposed for a major road. The APSC 8" fuel gas line runs through the property. May be subject to AS 19.40.200(b) (2). <i>Transportation Corridor Land.</i>
MA.HR.1001	Haul Road Nodes-Coldfoot	1,700	This parcel includes portions of the Coldfoot development node on the Dalton Highway. <i>Settlement.</i>
M1.JC.1001	Jarvis Creek	16,000	This coalfield occupies the easternmost sub basin of the Nenana Basin, a coal trend that holds the third largest coal reserve base in Alaska. The coal bearing section of this field is about 2,000 feet thick. Identified resources are 75 million short tons with a hypothetical resource of 175 million short tons. Tract excludes Mental Health Trust Land and active mining claims are excluded.

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Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
FA.JC.1001	Jennie M. Creek C	5	Situated near Fairbanks, this small parcel has good access and gentle to level slopes. It is situated within a residential subdivision. Zoned General Use. It occupies a small lot south of Chena Hot Springs Road 3 miles east of Two Rivers School. <i>No current classification.</i>
N1.LS.1001	Lake Snohomish	740	Parcel is located 10 miles southwest of the airstrip at Lake Minchumina, with access by trail. Terrain is flat, surrounding Lake Snohomish. <i>Settlement</i>
NZ.FA.1003	Noyes Slough (See Fairbanks Area Parcels map)	7	This parcel was added at the request of the University in order to resolve an old title problem created when DOT moved Collego Road to its current location. <i>No classification</i>
N5.RS.1001	Summit Lake (Richardson Highway)	960	This parcel includes areas on the east and west side of Summit Lake, situated west of the Richardson Highway. This is a very popular winter recreation area, especially for snowmachiners. DNR land disposals are scheduled for other parts of lake. <i>Public Recreation and Wildlife Habitat. Adjacent areas are designated Settlement.</i>
FA.NS.1001	West Twin Lake	1,560	Situated in a remote area west of Nenana, this lake is considered to have recreation use potential and some recreational development already exists. Access via float plane or ATV. DNR land disposals are scheduled for other areas along the lake. <i>Settlement.</i>
N5.WL.1001	Wien Lake	1,780	This is a fly-in lake with access via snowmachine in winter located in the Kantishna area. Some property has been sold in the area. It is a popular Fairbanks recreation area. DNR land disposals are scheduled to occur along other parts of lake. <i>Settlement.</i>
	Northern/ Interior Region Subtotal	24,992	

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
Southcentral Region			
SU.DC.1001	Deception Creek	280	Situated east of Willow, this fairly level parcel is covered with mature birch with some spruce, and has some wetlands in its western part. There is road access to this parcel by way of state-maintained 4 Mile Road off the Willow Creek Road. ATV trails also provide some access. It is part of the land previously reserved for the Willow Capital Site. <i>Settlement.</i>
SU.FP.1001	Frying Pan Lake	450	Situated southeast of Willow, this lake has recreational potential for picnicking, swimming, and camping. It is located about a mile from the Parks Highway. It is part of the land previously reserved for the Willow Capitol Site. <i>Settlement.</i>
MA.MC.1001	McCarthy-Nizina	12,500	This large parcel is situated near the community of McCarthy, situated within the National Park. Considered good for settlement. Excludes area of possible land exchange and critical salmon spawning areas at Long Lake. <i>Wildlife Habitat and Public Recreation.</i>
SU.WC.1001	Willow Creek Road	1,000	Parcel is near Willow Creek Rd. and is part of the land formerly reserved for the Willow Capital Site. Tract is considered good for settlement. Deception Creek runs through this parcel. <i>Settlement.</i>
	Southcentral Region Subtotal	14,230	
	Investment Properties Total	39,222	

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Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
Southeast Region			
SD.1001	Beecher Pass	1,193	Parcel is located on Kupreanof Island, southwest of Petersburg. It consists of a gently sloping coastal plain, covered in parts by spruce bog. The steeper slopes inland contain dry uplands and are vegetated with hemlock and spruce forest. The parcel also contains part of a previous state subdivision (ASLS 81-9); areas within the subdivision remaining in state ownership and designated as Settlement are included. Another state subdivision (ASLS 81-8) occurs to the east. The parcel is considered appropriate for settlement. Beecher Pass State Park is situated immediately to the south. <i>General Use and Settlement.</i>
PA.1002	Biorka Island	438	This parcel, situated on Biorka Island southwest of Sitka, consists of two separate parts. The westerly parcel is situated northeast of an FAA radar facility, with access provided by a road which, in turn, accesses a landing/beach area for the island situated to the east. The easterly part is situated east of the main part of Biorka Island and is joined to it by a narrow beach area. Both parcels are flat and are covered by forested wetlands. Considered appropriate for settlement (remote cabin sites). <i>General Use.</i>
KT.1002	Cleveland Peninsula	4,055	This parcel consists of three distinct parts, all of which occupy the northern part of the Cleveland Peninsula, located northwest of Bethel. The two large parcels occupy uplands at Spacious Bay and Sunny Bay, both of which are important recreational destinations. The third parcel occurs at Square Island, within Spacious Bay. The two larger parcels support hemlock and spruce along the coast and forested wetlands further inland. Both parcels contain commercial forest resources, most of which occur in the more inland, higher elevations. Square Island is a gently sloping and flat island covered by forest and muskeg, except for coastal rainforest along and near the coast. There is limited use of Square Island for recreation purposes. Considered appropriate for remote recreation or remote settlement. <i>General Use.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
PW.CC.1001	Coffman Cove	1,984	Parcel is situated in and near the community of Coffman Cove, on POW Island. It consists of three separate units of land, each of which is considered good for settlement or recreational development. University already owns land in area and this will infill around their existing holdings. Coffman Cove has protected waters and road access. <i>Settlement.</i>
CS.DI.1001	Duke Island	1,440	Parcel adjoins the southern coast and is generally flat, and has several good anchorages. It is considered best for commercial development related to marine services and associated residential uses. It is covered with mining claims. In selection status. <i>General Use.</i>
CS.EW.1001	Earl West Cove	3,564	Situated southeast of Wrangell, this parcel is considered good for land disposals and/or timber harvest. There is a hemlock and mixed hemlock/spruce forest that contains some commercial timber. An existing road system accesses previously harvested areas. An abandoned LTF provides water access. A crude ramp system also exists. <i>General Use.</i>
PW.ED.1001	Edna Bay	250	Parcel is situated in the community of Edna Bay, on POW Island. It includes fairly flat areas that are considered suitable for settlement. Parcel is near other University owned land. Roads access the parcel. Public docks are available and have improved the anchorage. <i>Settlement.</i>
PW.EC.1001	El Capitan North	1,847	Parcel occupies areas considered suitable for settlement and community recreation because of road access, terrain, and views of the protected waterway and Twin Lake. Parcel adjoins El Capitan Passage and Twin Island Lake. Parcel excludes Twin Island Lake and its islands. <i>Settlement.</i>
PW.ES.1005	El Capitan South	865	Parcel occupies most of El Capitan Island, which is strategically located in the protected waters of Sea Otter Sound. A small island, situated to the west, is also included in this parcel. Tract includes land suitable for commercial recreation and residential development. A particularly suitable site for commercial recreation development occurs in a sheltered bay on the south end of the island. Good anchorages exist. <i>Settlement/Commercial.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
NS.EX.1002	Excursion Inlet	477	This parcel, which consists of four separate parts, is situated north and east of the current subdivisions in Excursion Inlet. Access is provided by water, local roads, and an old Forest Service road. Topography varies from generally flat to moderately sloped. Vegetation consists of hemlock and spruce on the better drained soils and by wetlands in the wetter areas; portions of the parcel may be de-vegetated. Considered suitable for remote settlement. This parcel is the last holding of state land in Excursion Inlet. <i>Settlement and General Use.</i>
SD.1001	Favor Peak	1,290	This parcel is located on the southeastern tip of Mitkof Island, from Banana Point to Dry Strait. It is served by a well established road system (Forest Service Road 7). Several areas of commercial forest were harvested in the early 1970s and are dispersed throughout the unit. Areas of the parcel that adjoin the coast may be suitable for settlement. Areas north of the road are fairly steep, and contain areas of hemlock and spruce. <i>General Use.</i>
HA.CH.1001	Haines - Chilkoot	60	This parcel actually consists of four small individual tracts, all of which are situated south of the community of Haines. All adjoin existing residential areas and are accessed by road. <i>Settlement.</i>
CR.1001	Harris Road Junction	320	Parcel consists of fairly flat, vegetated terrain consisting of hemlock and spruce. It is situated along the main island road west of the community of Hollis, at its intersection with the Harris River. In selection status. Potential exists for residential development. <i>Settlement/Commercial.</i>
PW.HO.1001	Hollis	622	Parcel is situated in the community of Hollis, on POW Island. Parcel consists of three separate parts, two of which have direct road access (Klawock-Hollis highway) and adjoin areas of existing development. Land is suitable for residential development and, in some locations, commercial use. Previous state subdivisions occur throughout the Hollis. <i>Settlement.</i>
PW.HK.1001	Hook Arm	1,280	Parcel is situated on the west side of Dall Island, southwest of POW Island. This parcel has a good anchorage, high fish and game values, offshore commercial fishing activities, and resource development activities planned nearby. Tract may be suited for remote residential development or commercial use. In selection status. <i>General Use.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
MF.1002	Idaho Inlet	539	This parcel is situated on the east side of the Idaho Inlet, southeast of Elfin Cove. It has gentle to moderately sloping terrain near the coast and steeper terrain further inland. Parcel is heavily vegetated by spruce and western Hemlock, with scattered wetlands. A secure anchorage provides protection from northerly winds. This tract is considered a strategic site, allowing access to nearby active fishing and transportation waters. Considered appropriate for commercial recreation, general commercial, or remote residential. <i>General Use</i> .
JU.NL.1001	Ivanhoe	120	This parcel is comprised of patented mining claims in a known mineralized area north of Juneau. <i>Mineral and Habitat</i>
CS.KI.1001	Kelp Island	535	Kelp Island adjoins Duke Island and of the two locations, the best anchorage is situated here. It occupies a strategic location near a major navigation route. It would have the same type of commercial marine services and ancillary residential uses as Duke Island. In selection status. <i>General Use</i> .
CS.LE.1001	Leask Cove	460	Situated in upper George Inlet, north of Ketchikan, this parcel occupies relatively flat coastal areas, much of which has been previously harvested, and which has some potential for remote settlement. Most of the commercial forested area outside of the existing subdivision is in rotation. The cove provides a good anchorage. There are several previous state subdivisions nearby. <i>Settlement and General Use</i> .
JU.LM.1001	Lena Creek	610	This parcel is located near Lena Creek, north of downtown Juneau. This parcel excludes an approved municipal conveyance of approximately 100 acres to the CBJ. The exact location of this CBJ tract must still be surveyed, so the area conveyed to the UA is somewhat uncertain at this time. The parcel map indicates the general location. <i>Transportation, Settlement, Public Recreation-Dispersed</i> .

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
ST.LS.1001	Lisianski Peninsula	1,443	This parcel occupies the remaining areas of state land on the Lisianski Peninsula, situated directly north of Sitka. Portions of the parcel are relatively flat, although the central and southern parts are quite steep. Within areas along the coast and in some inland areas, hemlock and spruce forests predominate; other areas are occupied by scattered wetlands. Water access is available from Cedar Cove; a forest service road accesses the central portions of the parcel. Adjacent land to the north is part of the Tongass National Forest; MHI Trust lands are situated to the east. Considered appropriate for remote residential. May have some limited commercial timber potential; some areas of previous harvest exist. <i>General Use.</i>
JU.1002	Lynn Canal	1,358	This parcel occupies a fairly flat area on the west side of Lynn Canal, north of Juneau, that is heavily vegetated with a mixture of wetlands in poorly drained areas and Western Hemlock and Sitka Spruce in drier, better drained sites. It is bounded on the west by the Tongass National Forest. The parcel is easily visible from the marine highway route in Lynn Canal, and is considered suitable for commercial recreation or settlement. <i>Public Facilities-Transfer, Public Recreation and Tourism-Undeveloped.</i>
ST.1001	Middle Island	665	This parcel includes the remaining state lands on Middle Island that are not part of the previous state subdivision (ASLS 87-129) or conveyed to the City/Borough of Sitka or the Mental Health Trust Authority. Middle Island is situated west of Sitka. The parcel occupies the central part of Middle Island, although portions front the water on the northwest and south. Except for areas near the coast on the south and northwest, which are considered suitable for settlement, the remainder of the parcel contains steep terrain. Forested wetlands cover most of the less severe terrain, while western Hemlock and Sitka Spruce cover the remainder. <i>Settlement, General Use.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
PA.1002	Mite Cove	320	This parcel occupies nearly 200 acres at the northeastern tip of Yakobi Island, at the end of Lisianski Inlet where the Inlet enters Icy Strait. Pelican is the nearest community. Mite Cove is a regionally significant anchorage that is used by both recreational and commercial boaters. It is vegetated with Western Hemlock and Sitka Spruce, and is characterized by steeply sloping terrain throughout most of its eastern and southern parts. Areas along the coast in the northern part of the parcel and near/adjacent to Mite Cove are relatively flat. Considered appropriate for remote residential or commercial recreation marine services. <i>Public Recreation and Tourism-Undeveloped.</i>
PW.MS.1001	Moira Sound/Nowiskay Cove	160	This small parcel occupies patented federal mining claims. It may be suitable for a variety of uses, including timber harvest and settlement. It is situated on Sound on POW Island. <i>General Use.</i>
CS.MB.1001	Mosor Bay	906	Parcel is steep in eastern section but the western portion, adjacent to the coast, can accommodate settlement. Other residential use occurs nearby. Access is by water and it is relatively close to Ketchikan. Contains areas of commercial timber that may be suitable for selective logging. <i>Settlement.</i>
PW.NA.1001	Naukati Sound	937	Situated in the community of Naukati on POW Island, parcel occupies areas of generally flat land considered good for settlement. Development would be in-fill around current residential uses or adjacent to current road system. Road and water access. State land disposal is scheduled in Naukati. <i>Settlement and General Use.</i>
KT.1004	Neets Creek	1,500	Located at the head of Neets Bay northwest of Ketchikan, this parcel generally consists of a fairly flat area adjacent to the coast, two lakes, and the floodplain of Neets Creek. The valley walls are covered by a mixture of hemlock and spruce forests. The parcel may be accessed by either water or air, although previous logging roads are scattered throughout the parcel. A portion of the tract is used by a regional aquaculture association. Contains both previously harvest and available commercial timber (1,800 acres total). Considered appropriate for remote residential use, may have some commercial timber value. <i>General Use.</i>

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University of Alaska
Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
CS.OV.1001	Olive Cove	450	Parcel occupies flat coastal plain vegetated by hemlock and spruce forest good for settlement. Adjoins an existing subdivision. Situated southwest of Wrangell on Zimovia Island. Direct water access to Zimovia Strait. <i>General Use.</i>
ST.1002	Pelican	851	This parcel occupies almost all of the remaining state land in and around the community of Pelican, on Lisianski Inlet. Portions of this parcel are relatively flat to moderately sloping near the coast or coastal valleys, but are steeply sloped in most of the remaining areas. There are two distinct parts of the parcel; the first part occupies areas north of this community, some of which are accessed by road. The other part is situated south of the community proper and access is only by water. Both parts adjoin Lisianski Inlet and are heavily vegetated with hemlock and spruce. A previous state subdivision, ASLS 80-183, is situated immediately to the south. <i>Public Recreation - Dispersed, Settlement.</i>
PA.1001	Port Alexander	267	This parcel contains some of the last remaining state land in and adjacent to the community of Port Alexander, situated at the southern tip of Baranof Island. Two parts adjoin the community to the west and east, while a third occupies an area southwest of the community. It consists of flat to moderately sloping terrain and is heavily vegetated by spruce and hemlock, with scattered wetland areas. Access is primarily limited to trails to the western and eastern parts, while the southern has good water access. Several small off shore islands are included in this parcel. <i>General Use. Some areas of Public Recreation - Dispersed.</i>
PA.1001	Port Conclusion (See Port Alexander map)	10	This parcel occupies an area near the end of Port Conclusion, which is situated to the west of the community of Port Alexander. Except for an area near the coast, the parcel is steep and heavily vegetated with western Hemlock, Sitka Spruce, and by areas of forested palustrine wetlands. Considered suitable for remote settlement. <i>General Use.</i>
PW.PD.1001	Port Delores	1,100	Port Delores is a protected anchorage with potential for commercial recreation and remote settlement. Some commercial timber exists in the interior of the parcel which may be accessed via Forest Service roads. <i>Settlement.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
SD.1001	Read Island	706	Situated south of Cape Frazar, parcel consists of Read Island and two smaller islands. These occupy the entrance to Farragut Bay, an important commercial tour destination. Read Island is fairly flat, and except for a few small knobs that support dry uplands, the entire island is covered by wetlands. <i>Public Recreation and Tourism-Undeveloped.</i>
CS.RB.1001	Rowan Bay	665	Parcel occupies flat and gently rolling coastal plain adjoining Rowan Bay, on the west side of Kuiu Island. Considered good for timber harvest and remote settlement. There have been previous timber harvests. Direct water and road access. <i>General Use.</i>
SD.1001	Sumdum	5	This small parcel occupies the head of Sanford Cove, and lies adjacent to a popular cruise ship, charter and recreational boat travel corridor to Endicott Arm. Considered a regionally significant recreational site. <i>Public Recreation -- Dispersed.</i>
ST.1003	Tenakee Springs	346	This parcel consists of three distinct parts and constitutes the last remaining developable state land in Tenakee Springs. The first is situated at the end of the main area of community development near the ADOT/PPF Loat harbor. It abuts the harbor and is used for marine and other types of storage, and is fairly level and heavily vegetated. The second consists of a heavily vegetated, generally flat area that extends further east to Indian River and an old LTF. The third consists of an interior part within sections 15 and 22 situated eastward and upslope of the community, and a part within section 23 that stretches along the coast. This area, which is generally level and heavily vegetated, could be used for commercial and industrial development. <i>Public Facilities-Retain, Settlement-Commercial.</i>
SD.1001	Thoms Place	2,360	Situated south of the community of Wrangell, this parcel consists of fairly level to moderately sloping land situated to the west of the Thoms Place community. It is vegetated by hemlock and spruce forest. The unit adjoins Zimovia Strait, which is used as a route of the Alaska Marine Highway. A previous state subdivision and the Thoms Place State Marine Park exist to the south. Considered suitable for settlement. <i>Settlement, General Use.</i>

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University of Alaska
Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
PW.TH.1001	Thorne Bay	2,557	Parcel consists of three separate tracts, two of which have direct road access and are near the community of Thorne Bay. These are considered good for commercial/industrial development. The other adjoins an existing subdivision and has direct road access. <i>Settlement/Commercial.</i>
CS.TL.1001	Three Lake Road	640	Situated south of Petersburg, this parcel is near popular fishing streams and adjoins Three Lake Road. Portions of this parcel are previously harvested and are heavily vegetated. It has commercial as well as residential potential. <i>General Use.</i>
CS.WA.1001	Ward Cove	3	Small parcel adjoining Tongass Highway north of Ketchikan. This OSL parcel is believed to be part of an old cannery. <i>Settlement/Commercial.</i>
ST.1002	Warm Springs Bay	267	This parcel consists of the remaining state land in the southern part of the Warm Springs community, a popular recreation area for the Sitka community. Area is generally flat and is covered by a mixture of forested wetlands and spruce/hemlock coastal rainforest in the drier parts. Considered suitable for commercial recreation or remote settlement. Previous state subdivision exists on the north side of Warm Springs Bay. <i>Public Recreation -- Dispersed.</i>
SD.1001	Whitney Island	316	This unit occupies the generally level southern end of Whitney Island, which is situated immediately west of Cape Fanshaw, an important commercial and recreational anchorage. Most of the island is covered by wetlands except for areas adjacent to the coast covered by spruce and hemlock forest where this parcel is situated. <i>Public Recreation and Tourism-Undeveloped.</i>
JU.1001	William Henry Bay	321	Parcel is situated on the west side of Lynn Canal, northwest of Juneau. It occupies the drainage of William Henry Creek in the northwestern part of William Henry Bay. Hemlock and spruce are the dominant vegetation. Areas adjoining the coast at the mouth of the creek are somewhat flat, but are sleeper inland. Considered to have commercial recreation or remote settlement potential. <i>General Use.</i>
	Southeast Region Subtotal	40,102	

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University of Alaska
Land Grant List 2005
Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
Educational Properties			
JU.AJ.1002	Auke Weir	6	Situated close to the UAJ campus along Auke Creek in Juneau, an anadromous fish stream, the parcel includes a fish weir and is suitable for academic and research projects of the UAJ. Includes existing UAJ facilities. <i>Public Recreation/Habitat.</i>
LG.PC.01	Caribou-Poker Creeks Drainage	24,250	Situated north of Fairbanks, parcel is currently used and administered by University for hydrologic and water quality research. Occupies portion of the current research watershed used by UA. <i>Watershed.</i>
MA.XS.1001	Delta Ag & Forestry Exp. Station	363	Parcel is currently patented to the UA (No. 15524) with restrictions on use to forestry an agricultural research, and contains a reverter. University wants to acquire unrestricted title to allow other uses. <i>Agriculture and Settlement.</i>
N2.FA.1004	Fairbanks Parking Garage (includes Court House conveyance)	2	Parcel is already conveyed. UAF agreed to "count" the acreage should there be a State Land Grant. Parcel was acquired by DOT/PF with federal funds. Provides addition to the University campus. <i>Not classified</i>
NZ.FA.1004	Key Bank Site (See Fairbanks Area Parcels map)	1	This parcel adds land to UAF from an area of excess highway right-of-way. It was acquired by DOT/PF with federal funds; the University may be required to reimburse ADOT/PF, to compensate for the loss of federal highway funds. <i>Not classified.</i>
MA.KR.1001	Kodiak Rocket Range	2,880	This parcel occupies an area on southern Kodiak Island that includes the Kodiak Launch Complex. Portions of the parcel are used for grazing. Conveyance would be subject to the current Inter-agency Land Management Agreement for the Rocket Launch Facility and the grazing lease. Current access and public use areas are retained, including access to Fossil Beach. <i>Grazing, General Use.</i>
MA.PF.1002	Poker Flat (Special Use Area)	6,680	This is a large area under permit that the University has reserved for a buffer for its Poker Flat research activities. <i>Resource Management, Forestry, Mining, Public Recreation, Wildlife Habitat.</i>
MA.PF.1001	Poker Flat Lease	533	This area is under lease (ADL 414207) from the state and contains university-owned facilities. <i>Forestry, Mining, Public Recreation.</i>
MA.SF.1001	Silver Fox Mine	120	This proposal is adjacent to patented federal claims which the University owns in fee. Now used for UAF mining program. <i>Settlement.</i>

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Parcel Descriptions

Parcel #	Name	Approx. Area in Acres	Description/Plan Designation
ST.1001	Sitka Campus	6	Parcel contains the Sitka campus. Management authority would be transferred from the Department of Education to the University. <i>Public Facilities.</i>
TV.RF.1001	Tok Research Forest	4,015	Parcel is to be used for forestry research by UAF. <i>Forestry.</i>
TV.TV.1001	University Research Forest	51,820	This parcel contains portions of the Tanana Valley State Forest as well as other state land classified <i>Forestry and Settlement</i> . Parcel is to be retained and managed by DNR for the next fifty years after which it will be conveyed to the University. Parcel would also be used for forestry research by UAF. DNR would continue to manage the other uses that occur within this area, including timber harvest and public recreation. Public access is to be maintained. <i>Forestry and Settlement.</i>
	Educational Properties Subtotal	90,676	
TOTAL		260,000	

STATE OF ALASKA / FRANK MURKOWSKI, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
Division of Mining, Land and Water

550 West 7th Ave.; Suite 1070
Anchorage, AK 99501
Telephone: (907) 269-8600

March 3, 2005

The Honorable Representative Harry Crawford
State Capital
Juneau, Alaska 99801

Dear Representative Crawford:

Yesterday after the House Resources Committee hearing on HB 130, the University Land bill, you asked me two questions concerning possible native allotment conflicts:

- possible native allotment conflict with the proposed Lisianski Peninsula conveyance; and
- possible Native Allotment conflict with the proposed Biorka Island conveyance;

You also handed me information about the two potential conflicts in a letter from the Sitka Tribe of Alaska. I appreciate the information and would like to take this opportunity to respond.

Lisianski Peninsula Native Allotments. The letter from the Sitka Tribe of Alaska indicates that there are three native allotments adjacent to but not in conflict with the proposed Lisianski Peninsula conveyance. They assert that these adjacent allotments would be "irreversibly damaged" by University ownership if they were developed as remote settlement areas.

I do not believe that the presence of adjacent allotments makes a university conveyance inappropriate. Specifically, state management would not be significantly different than University management for these parcels. DNR is unlikely to refrain from development on 1,443 acres along more than six miles of coastline because of the nearby allotments. A multi-year land use plan with extensive public process came to a similar conclusion. Let me explain.

In 2002, DNR finished the Northern Southeast Area Plan that includes these parcels (identified as B-06, B-07, and B-07 in the Plan). The designation for the parcels is general use, and the management intent provides that the parcels are "to be managed for multiple uses including dispersed recreation and remote settlement." The plan's intent also indicates that the remote settlement is unlikely in the near future, and should not occur until better access occurs and until more accessible state lands are developed. However, in summary, DNR concluded, after a multi-year planning process with extensive public participation, that these parcels should be included in a development category and should be used eventually for remote settlement.

Put another way, DNR concluded that the nearby land ownership (including native allotments) was not incompatible with development. In fact DNR's management under the Area Plan would be similar to that likely by the University. I hope this answers your concerns about this parcel.