CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Land Banking Nomination – Sale #1174, 1176, 1177, 1178
Proposed Implementation Date:	Summer 2021
Proponent:	Rancho Deluxe Pheasant Farm LLC
Location:	T25N, Rge 3E, Section 22, SE4NW4 – 40 acres - sale 1174 T25N, Rge 3E, Section 29, NE4NW4 – 40 acres - sale 1176 T25N, Rge 3E, Section 20, E2SW4 – 80 acres - sake 1177 T25N, Rge 3E, Section 20, NW4NW4 – 40 acres - sale 1178 Chouteau County
Trust Beneficiary	Pine Hills School

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction three isolated parcels of state trust land encompassing 160 acres and one 40-acre accessible parcel held in trust for the Pine Hills School trust beneficiary. Revenue from the sale would be deposited in a special account used to purchase replacement land meeting acquisition criteria related to legal access, productivity, and potential income which would then be held in trust for the Pine Hills School trust. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is to diversify the land portfolio of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land, and consolidate ownership.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:
Provide a brief chronology of the scoping and ongoing involvement for this project.

MEPA Public Scoping Process:

DATE	GROUP AND / OR INDIVIDUALS CONTACTED

September 17 – October 17, 2020

Initiated Montana Environmental Policy Act (MEPA) public scoping for the identified parcels. Individuals and organizations contacted were: Trust Land lessees, adjacent landowners, individuals and organizations on the Land Banking scoping list and County Commission.

One written comment was received from Senator Russell Temple, SD 14, the Senator representing the area of the proposed sale. Senator Temple expressed support only for sale 1178 and strongly opposed sale of the remaining three parcels. No other comment was received during the comment period. After the comment period had closed comment supporting sale of the parcels was received from Senator Ryan Osmundson and Senator Lew Jones.

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, do not sell Trust Land.
Alternative B- Sell Trust Land

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

The existing grazing use is expected to continue. There will be no new soil disturbance associated with this action. Current land use will continue, and soil stability will not be affected. There will also not likely be an increase of animal or human traffic which could potentially cause soil damage.

No direct, indirect, or cumulative effects are anticipated.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

The tracts proposed for sale do not contain any surface water resources. The Teton river is nearby to all the proposed sale tracts but will not be affected by sale.

No direct, indirect, or cumulative effects are anticipated.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

The parcel is located within a class II air shed. No new air pollution sources will be created with this sale. The existing grazing use is expected to continue. No direct, indirect, or cumulative effects are anticipated.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

The vegetation is composed mainly of an upland native range typical of shallow and thin hilly range sites. There is a large issue of cheatgrass in the area that has invaded many of the lower flat, silty range site and some of the hillsides. This action will not disturb or change the vegetation community in any way.

A search of the Montana Natural Heritage Program database indicates there are no known rare, unique cover types or vegetation on the tract. No direct, indirect, or cumulative effects are anticipated.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds, or fish. Identify cumulative effects to fish and wildlife.

The parcel of state trust land is used by a variety of wildlife species typical of land in the area. A variety of wildlife species including mule deer, antelope, fox, coyotes, pheasant, sharp-tail grouse and non-game birds use the tract during various times of the year. No seasonal concentrations of wildlife are known to exist on this tract. The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

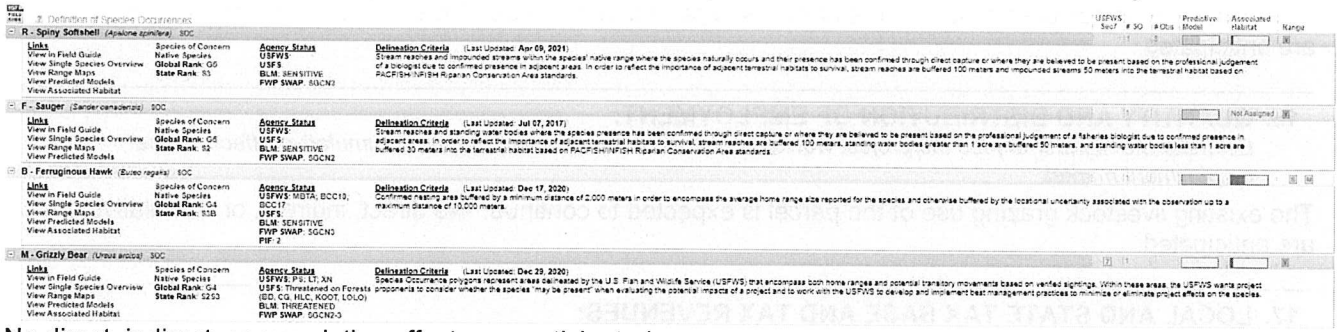
9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

The Montana Natural Heritage Project report for the area in a 1-mile radius around the project shows 4 species of concern observed in the area.

The spiny softshell and sauger will not be affected because there are no water resources on the tracts proposed for sale. Also, the Teton river will not be disturbed in any way. The current land use will remain.

The ferruginous hawk is also not likely to be affected because no useable habitat will be disturbed. Likewise, the Grizzly bear should not be affected because there will be no new development or disturbance associated with this action. Grizzly bears are known to use the Teton River corridor as a travel route towards the Missouri. Since there will be no new disturbance or development it should not hinder this use by the bears.



No direct, indirect, or cumulative effects are anticipated.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

The presence or absence of antiquities is presently unknown. A class III level inventory and subsequent evaluation of cultural and paleontological resources will be carried out if preliminary approval of the parcel nomination by the Board of Commissioners is received. Based on the results of the Class III inventory/evaluation the DNRC will, in consultation with the Montana State Historic Preservation Officer, assess direct and cumulative impacts.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

No other environmental documents pertinent to this area are known to exist. No direct, indirect, or cumulative effects are anticipated.

IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

The parcel would move from tax exempt status to taxable status, which will provide income to the county. The exact amount is unknown until assessor appraisal is completed but is approximately $2 per acre.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

The land is identified as agricultural. The growth policy indicates that the existing land use will continue.
The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:
Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

Sale 1174 is a forty-acre parcel acre parcel legally accessible through 280 acres of adjoining state lands crossed by the Bootlegger Trail. A home is immediately adjacent to this parcel and the driveway for the home is located on this parcel. As a result of the proximity of the home, shooting is prohibited by ARM 36.25.139 (C) on 70% of the parcel proposed for sale. A low level of big game and upland bird hunting may occur on the approximately 12 acres not encumbered by the shooting restriction. Due to the proximity of the home, driveway, and Bootlegger Trail highway the hunting value of the parcel is low. Given the parcel's location distant from a population center, proximity to a home and lack of amenities, no general recreational use (hiking, bird watching etc.) is likely to occur. Sale of this parcel would have a minor negative direct effect to recreational use through loss of hunting access to the 12-acre area outside the shooting restriction and loss of general recreational access to the forty-acre parcel.

Sales 1176 (40acres), 1177 (80 acres) and 1178 (40acres) are parcels of isolated state trust lands with no legal means of access other than through permissive access through adjoining private lands. Access to these parcels after sale would continue to be through permissive access through deeded property. No direct, indirect, or cumulative effects are anticipated.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:
Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

The locally elected Senator has expressed opposition to land sale in general and sales 1174, 1176 and 1177.

The existing livestock grazing use of the parcel is expected to continue. No direct, indirect, or cumulative effects are anticipated.

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

The parcel does not exhibit any unique qualities. No direct, indirect, or cumulative effects are anticipated.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:
Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

The four parcels encompass 200 acres and contain 40 Animal Unit Months (.20 AUM/Acre). In 2020 the lease rate of $12.92 /AUM generated income of $516 or approximately $2.58/acre. Based on the DNRC Annual Report for Fiscal Year 2020, the average income for the 4.3 million acres of grazing land was $3.29 per acre with an average productivity of .236 acres/ AUM. Therefore, this tract is considered below average in productivity and producing below average revenue per acre. There is no indication the tract, if remaining in state ownership, would be used for purposes other than grazing and it is likely the future income would remain relatively stable or decline due the cheatgrass expansion.

An appraisal of the property value has not been completed. Assuming an appraised value of $500/acre as determined in a preliminary land value estimate, the current annual return on the asset value for this tract is 0.54%. This would indicate a higher return on asset value could be expected under Alternative B. Alternative B presumes that proceeds from the sale of this parcel will be reinvested in property that earns a rate of return greater than 1%.

EA Checklist Prepared By:	**Name:** Clive Rooney	**Date:** 7/17/2021	
	Title: NELO Area Manager		

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B - Sale

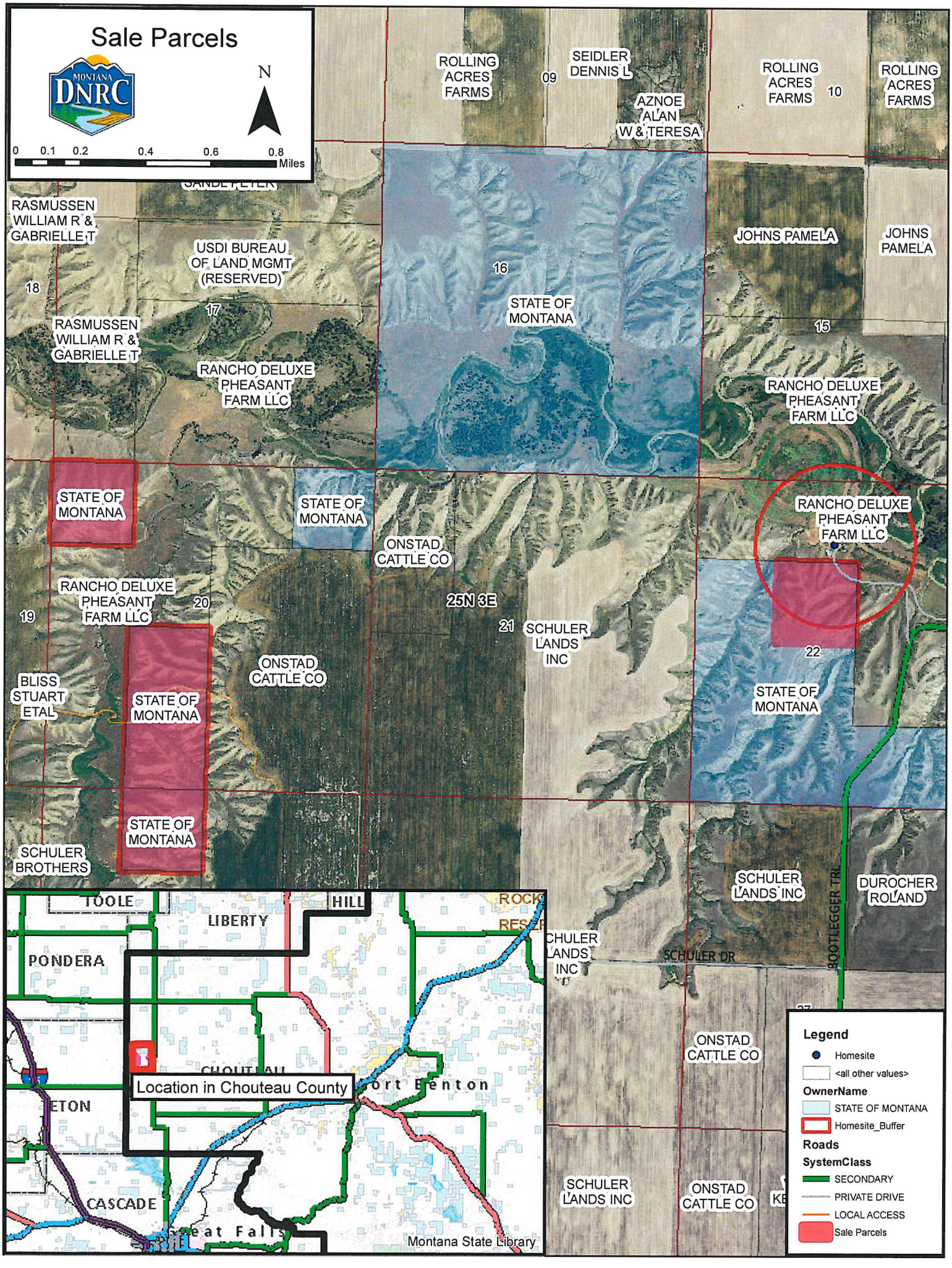
26. SIGNIFICANCE OF POTENTIAL IMPACTS:

No significant impacts are anticipated as a result of sale.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

☐	EIS	☐	More Detailed EA	x	No Further Analysis

EA Checklist Approved By:	**Name:** Ryan Weiss	
	Title: Real Estate Management Bureau Chief	
Signature: /s/ Ryan Weiss		**Date:** 7/26/2021


Sale Parcels
MONTANA DNRC
N
0 0.1 0.2 0.4 0.6 0.8 Miles
ROLLING ACRES FARMS
09
SEIDLER DENNIS L
AZNOE ALAN W & TERESA
ROLLING ACRES FARMS
10
ROLLING ACRES FARMS
RASMUSSEN WILLIAM R & GABRIELLE T
USDI BUREAU OF LAND MGMT (RESERVED)
18
17
16
STATE OF MONTANA
JOHNS PAMELA
JOHNS PAMELA
15
RASMUSSEN WILLIAM R & GABRIELLE T
RANCHO DELUXE PHEASANT FARM LLC
RANCHO DELUXE PHEASANT FARM LLC
STATE OF MONTANA
STATE OF MONTANA
ONSTAD CATTLE CO
RANCHO DELUXE PHEASANT FARM LLC
RANCHO DELUXE PHEASANT FARM LLC
19
20
25N 3E
21
SCHULER LANDS INC
22
ONSTAD CATTLE CO
BLISS STUART ETAL
STATE OF MONTANA
STATE OF MONTANA
SCHULER BROTHERS
SCHULER LANDS INC
DUROCHER ROLAND
BOOTLEGGER TRL
SCHULER LANDS INC
SCHULER DR
ONSTAD CATTLE CO
TOOLE
HILL
LIBERTY
PONDERA
Location in Chouteau County
ETON
CASCADE
Great Falls
Montana State Library
SCHULER LANDS INC
ONSTAD CATTLE CO
Legend
Homesite
<all other values>
OwnerName
STATE OF MONTANA
Homesite_Buffer
Roads
SystemClass
SECONDARY
PRIVATE DRIVE
LOCAL ACCESS
Sale Parcels