

REGULAR MEETING OF THE BOARD OF LAND COMMISSIONERS
AGENDA
January 16, 2024, 9:00 a.m.
Supreme Court Chambers, Mazurek Justice Building
Helena, MT

ACTION ITEMS

0124-1 Timber Sales APPROVED 4-0

A. Morrison

Location: Missoula County
Benefits: MSU Morrill Trust

B. West Jim Butcher

Location: Lincoln County
Benefits: Common Schools and Public Buildings

0124-2 Rulemaking APPROVED 4-0

Location: State of Montana

Benefits: Public Buildings, Common Schools, Deaf & Blind School, Montana State University, Montana Tech, MSU Morrill, Pine Hills, MSU Eastern/UM Western, and Veterans Home

0124-3 Cabin and Home Sites: Final Approval for Sale APPROVED 3-1

Location: Missoula County
Benefits: Montana State University

0124-4 Easements APPROVED 4-0

Location: Carter County
Benefits: Common Schools

PUBLIC COMMENT

0124-1

TIMBER SALES

A. Morrison

B. West Jim Butcher

**Land Board Agenda Item
January 16, 2024**

0124-1A Timber Sale: Morrison

**Location: Missoula County
Section 10 T13N R15W**

Trust Beneficiaries: MSU Morrill Trust

Trust Revenue: \$273,764 (estimated, minimum bid)

Item Summary

Location: The Morrison Timber Sale is located approximately 6 miles east of Potomac, Montana.

Size and Scope: The sale includes 2 harvest units (489 acres) of tractor logging.

Volume: The estimated harvest volume is 15,480 tons (2.196 MMBF) of sawlogs.

Estimated Return: The minimum bid is \$17.69 per ton, which would generate approximately \$273,764 for MSU Morrill Trust. No Forest Improvement funds would be collected.

Prescription: This sale would utilize a selection harvest prescription designed to promote stand health and long-term timber and revenue production for the Trust beneficiaries.

Road Construction/Maintenance: Department of Natural Resources and Conservation (DNRC) is proposing 5.6 miles of road maintenance.

Access: The access to the sale is from Highway 200.

Public Comments: Three comments were received during the scoping period. One comment from a logging industry representative expressed support for the project. A Northern Cheyenne Tribal representative requested an archaeological report and to remain informed as the project progressed. DNRC staff conducted a Class I archaeological review of the project area and continued communication with the individual. Montana Department of Fish, Wildlife & Parks (FWP) requested to remain informed throughout project development. DNRC continued communication with FWP and offered a meeting to discuss the project, if necessary.

DNRC Recommendation

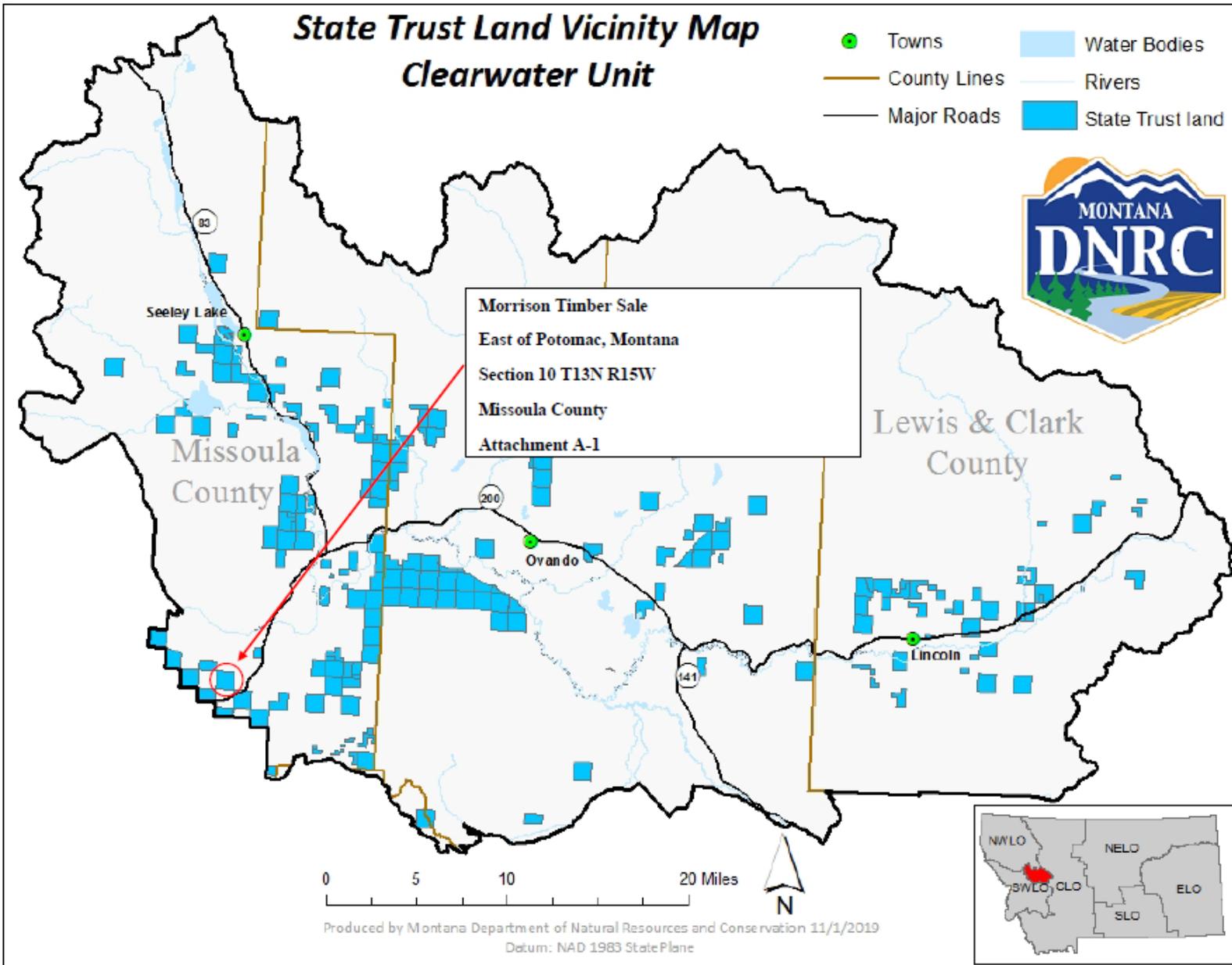
The DNRC recommends the Land Board direct DNRC to sell the Morrison Timber Sale.

State Trust Land Vicinity Map Clearwater Unit

- Towns
- County Lines
- Major Roads
- Water Bodies
- Rivers
- State Trust land

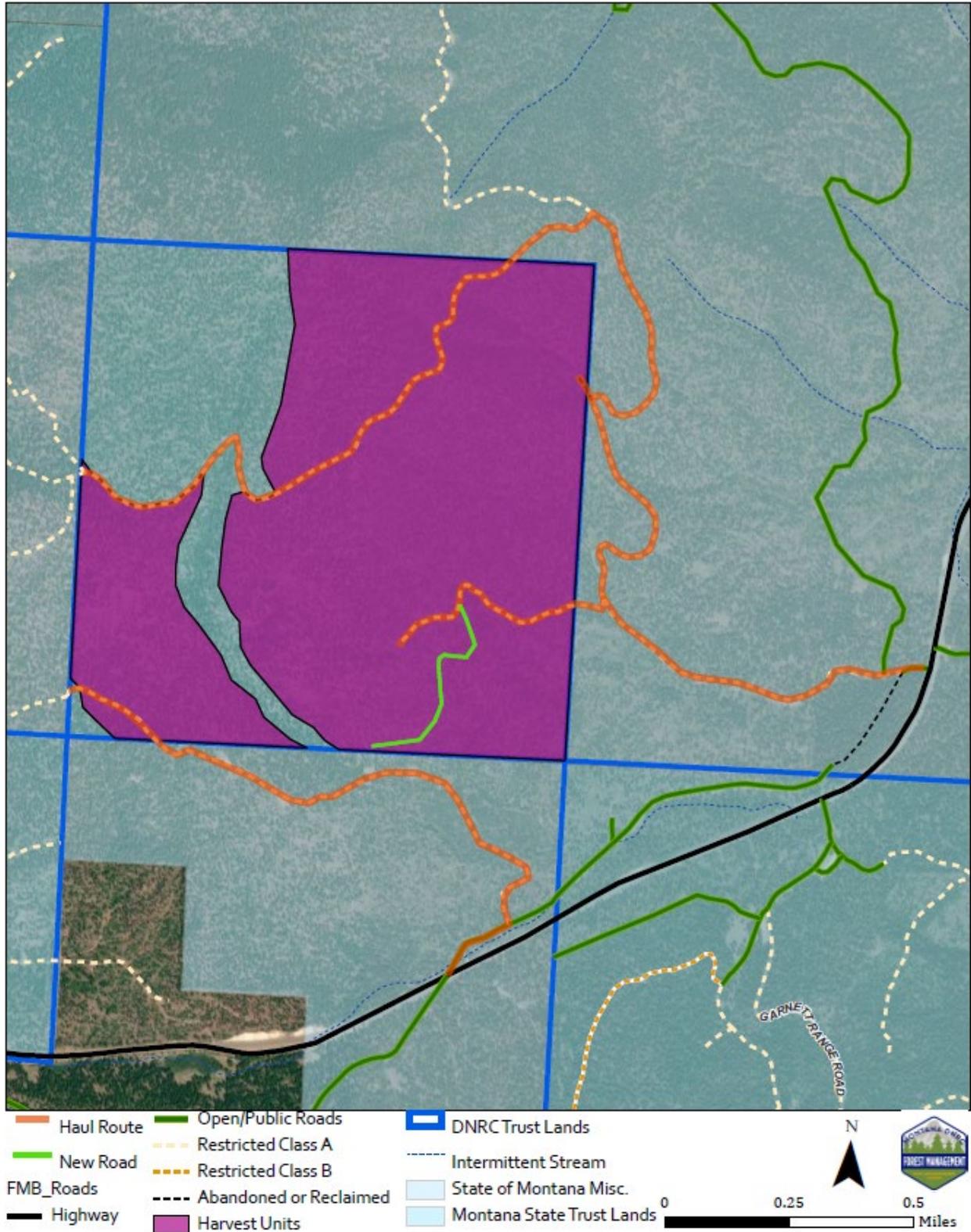


Morrison Timber Sale
East of Potomac, Montana
Section 10 T13N R15W
Missoula County
Attachment A-1



Produced by Montana Department of Natural Resources and Conservation 11/1/2019
Datum: NAD 1983 State Plane

Morrison Timber Sale Haul Route and Harvest Units



**Land Board Agenda Item
January 16, 2024**

0124-1B Timber Sale: West Jim Butcher

**Location: Lincoln County
Sections 23, 25 & 36, T33N, R26W**

Trust Beneficiaries: Common Schools and Public Buildings

Trust Revenue: \$255,820 (estimated, minimum bid)

Item Summary

Location: The West Jim Butcher Timber Sale is located approximately 7 miles southwest of Trego, Montana.

Size and Scope: The sale includes 3 harvest units (*248 acres*) of tractor logging.

Volume: The estimated harvest volume is 12,443 tons (*1.9 MMBF*) of sawlogs.

Estimated Return: The minimum bid is \$20.56 per ton, which would generate approximately \$255,820 for the Common Schools and Public Buildings Trust and approximately \$51,471 in Forest Improvement fees.

Prescription: This sale would utilize commercial thin, old growth maintenance and seed tree with reserves harvest prescriptions. Prescriptions are designed to enhance vigor of stands, address insect and disease issues, establish regeneration and generate revenue for the trusts.

Road Construction/Maintenance: The Department of Natural Resources and Conservation (DNRC) is proposing 0.3 miles of road reconstruction and 8.6 miles of road maintenance.

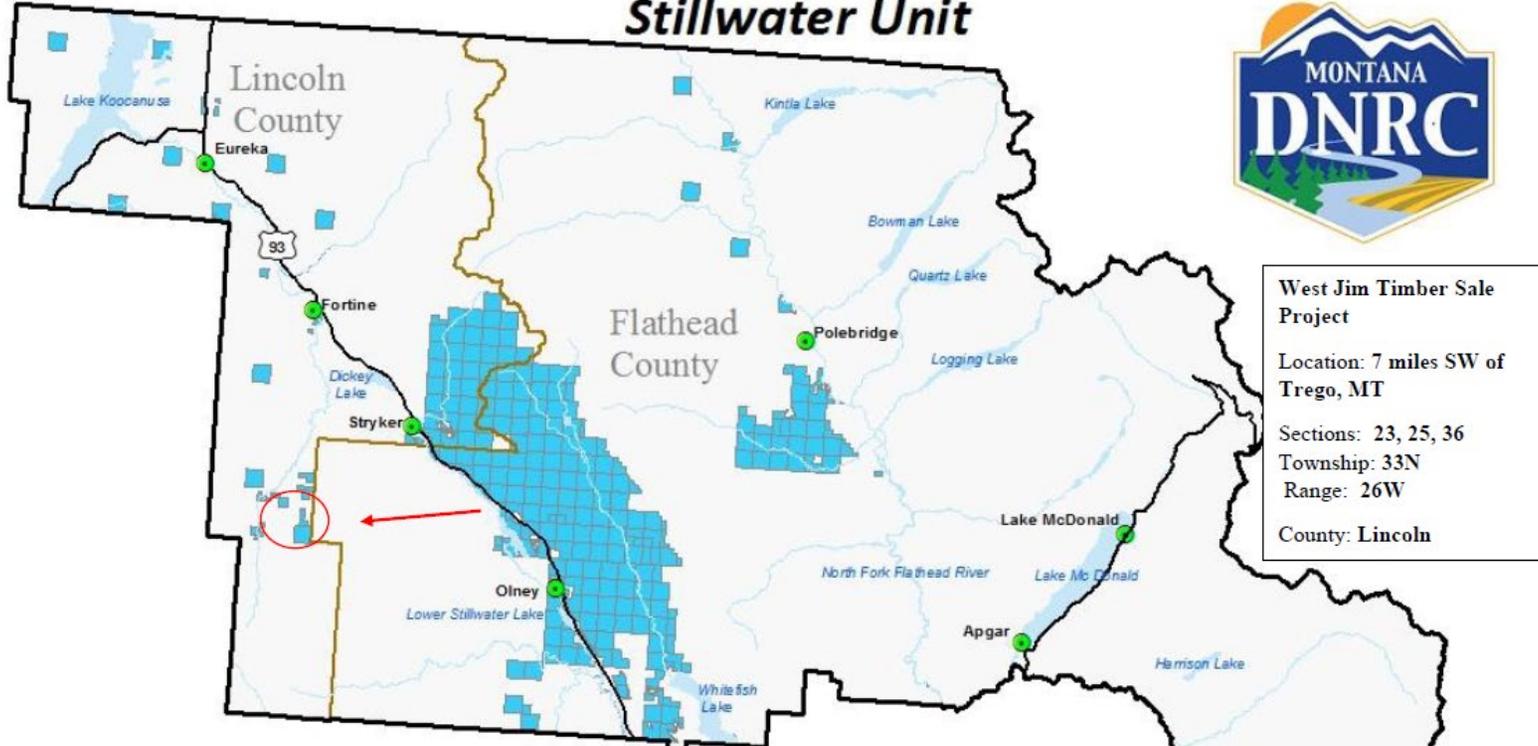
Access: Access is obtained through Fortine Creek Road.

Public Comments: Four comments were received during the scoping period. One comment from a logging industry representative expressed support for the project. Two nearby residents expressed concern about road maintenance and weed management along open roads. The DNRC explained that Forestry Best Management Practices would be adhered to for road maintenance and that the area would be treated and monitored for noxious weeds. A nearby resident expressed concern about how the project may impact their ability to receive external funding for future thinning projects on their own property. The project leader responded that the proposed project should not affect their ability to receive funding and directed the commenter to the local DNRC service forester for further questions.

DNRC Recommendation

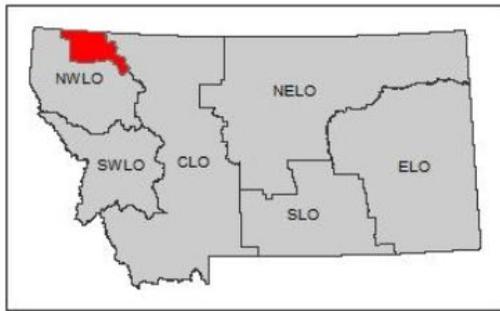
The DNRC recommends the Land Board direct DNRC to sell the West Jim Butcher Timber Sale.

State Trust Land Vicinity Map Stillwater Unit



West Jim Timber Sale Project
 Location: 7 miles SW of Trego, MT
 Sections: 23, 25, 36
 Township: 33N
 Range: 26W
 County: Lincoln

WEST JIM TIMBER SALE PROJECT VICINITY MAP



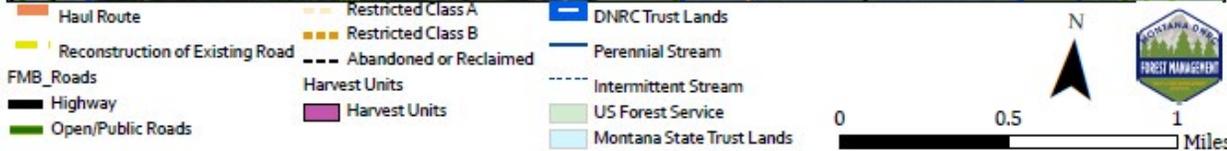
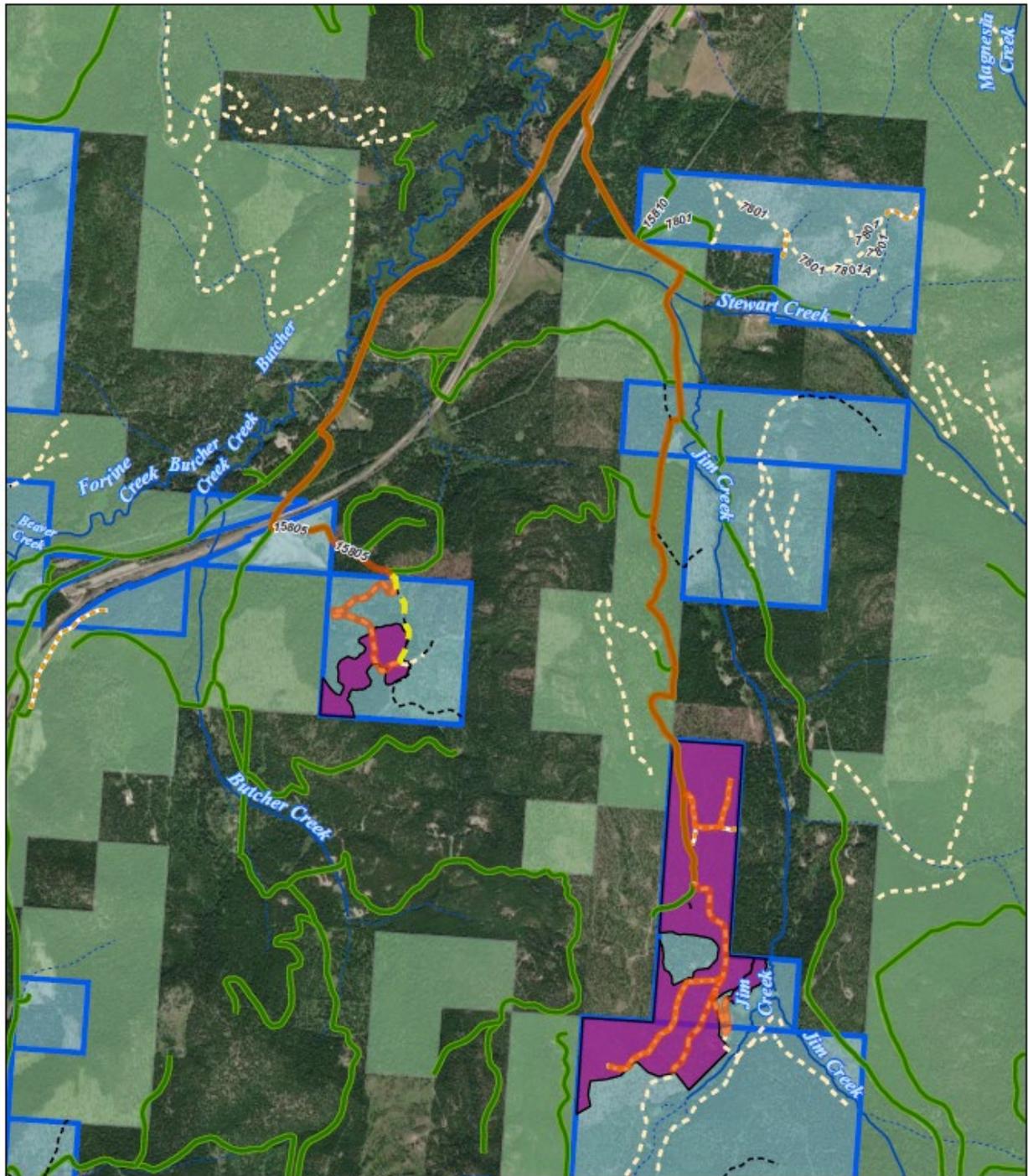
- Towns
- Major Roads
- Rivers
- County Lines
- Water Bodies
- State Trust Land

0 5 10 20 Miles



Produced by Montana Department of Natural Resources and Conservation 11/1/2019
 Datum: NAD 1983 StatePlane

West Jim Butcher Timber Sale Haul Route and Harvest Units



0124-2

RULEMAKING

**Land Board Agenda Item
January 16, 2024**

0124-2 Request to Approval to Finalize Rulemaking

Location: State of Montana

**Trust Benefits: Public Buildings, Common Schools, Deaf & Blind School,
Montana State University, Montana Tech, MSU Morrill, Pine Hills,
MSU Eastern/UM Western, and Veterans Home**

Trust Revenue: Unknown

Item Summary

The Department of Natural Resources and Conservation (DNRC) Real Estate Management Bureau requests Land Board approval to finalize the process of amending Cabin and Home Site Land Banking rules ARM 36.25.701 through ARM 36.25.708 to provide consistency with changes to MCA 77-2-363 associated with legislation enacted during the 2023 legislative session. The Department held a public hearing on December 6, 2023, and there were no public comments received.

The authority to initiate this process was granted at the August 2023 Land Board meeting. If approved, the adoption notice will be filed with the Secretary of State's Office, published, and should become effective February 10, 2024.

DNRC Recommendation

The DNRC recommends the Land Board approve filing the proposed amendments to Administrative Rules 36.25.701 through 36.25.708 with the Secretary of State's office.

0124-3

CABIN AND HOME SITES: FINAL APPROVAL
FOR SALE

**Land Board Agenda Item
January 16, 2024**

0124-3 Cabin and Home Sites: Final Approval for Sale

Location: Missoula County

Trust Benefits: Montana State University

Trust Revenue: \$267,000

Item Summary

The Department of Natural Resources and Conservation (DNRC) is requesting final approval for sale of four (4) cabin sites nominated for sale in Missoula County. These sales were nominated by the lessees in conjunction with the 2022-2023 Cabin and Home Site Sales Program.

Sale No.	Acres	Legal Description	Nominator	Trust
2044	1.396±	LOT 41 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W	Daniel Carnine	Montana State University
2045	1.31±	LOT 34 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W	Joseph & Melissa Flesch	Montana State University
2047	1.387±	LOT 16 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W	Levi & Ashlee Shypkowski	Montana State University
2048	1.704±	LOT 11 SEELEY LAKE DEVELOPMET COS 6161, Section 4, T16N-R15W	George & Glenda Tilden	Montana State University

Background:

Preliminary Land Board approval was granted in December of 2022 (Approved 4-1) for these sites to be included as part of the 2022-2023 Cabin Site Sales Program. The Land Board set the minimum bid for these cabin sites at the appraised land values and the maximum value of compensation for the improvements in September of 2023 (Approved 5-0).

Cultural/Paleontological Resources:

A Class I level of cultural resource inventory was conducted for each of the proposed sales. Home sites typically contain numerous structures and the ground surfaces within most home sites have been disturbed over the course of many years of occupation and development. These sales will have no effect to state-owned heritage properties.

Access/Recreational Use:

As part of the cabin site sale process, the State will convey any access that it has and can be conveyed to the purchaser of the cabin or home site property. Current cabin/home site access is limited to the lessee and does not provide access or recreational use to the general public. State lands classified as cabin or home sites are closed to general recreational use by the

public in accordance with ARM 36.25.150(1)(a). Therefore, the State is not selling land under the cabin site sale program that the public is permitted to use for recreation. Rather, the funds generated by these sales will go towards purchasing new lands that will have dedicated public access and recreational opportunities.

Economic Analysis:

Short term – The average rates of return on these sale parcels are shown in Figure 1 below. The parcels will continue to receive these returns if they remain in state ownership. The income rates of return will likely grow smaller, as average annual value appreciation is greater than the annual rent increase.

Figure 1: Rates of Return at Current Appraised Values

Sale No.	Rate of Return
2044	2.37%
2045	2.44%
2047	2.317%
2048	2.865%

Long term – The funds from the sale of these parcels would be combined with other sale funds to purchase replacement lands through DNRC’s Land Banking program. Lands purchased are required to have an equal or greater rate of return than the combined lands that generated the sale funds used for the purchase. To date, the average annual rate of return on acquisitions has been 3.33% on acquisitions with income generated from annual lease payments. However, the rates of return on land acquired more recently have been higher, ranging from 3.58% on acquisitions purchased within the last five years to 3.89% for lands acquired within the last ten years.

Appraised Values of Land and Improvements:

The appraisals of these cabin sites were prepared by Montana General Certified Appraiser Elliott M. Clark, MAI of Clark Real Estate Appraisal of Seeley Lake, Montana.

Sale No.	Appraised Land Value	Appraised Improvements Value	Final Sale Price
2044	\$73,000	\$166,000	\$73,000
2045	\$76,000	\$231,000	\$76,000
2047	\$59,000	\$50,000	\$59,000
2048	\$59,000	\$88,000	\$59,000

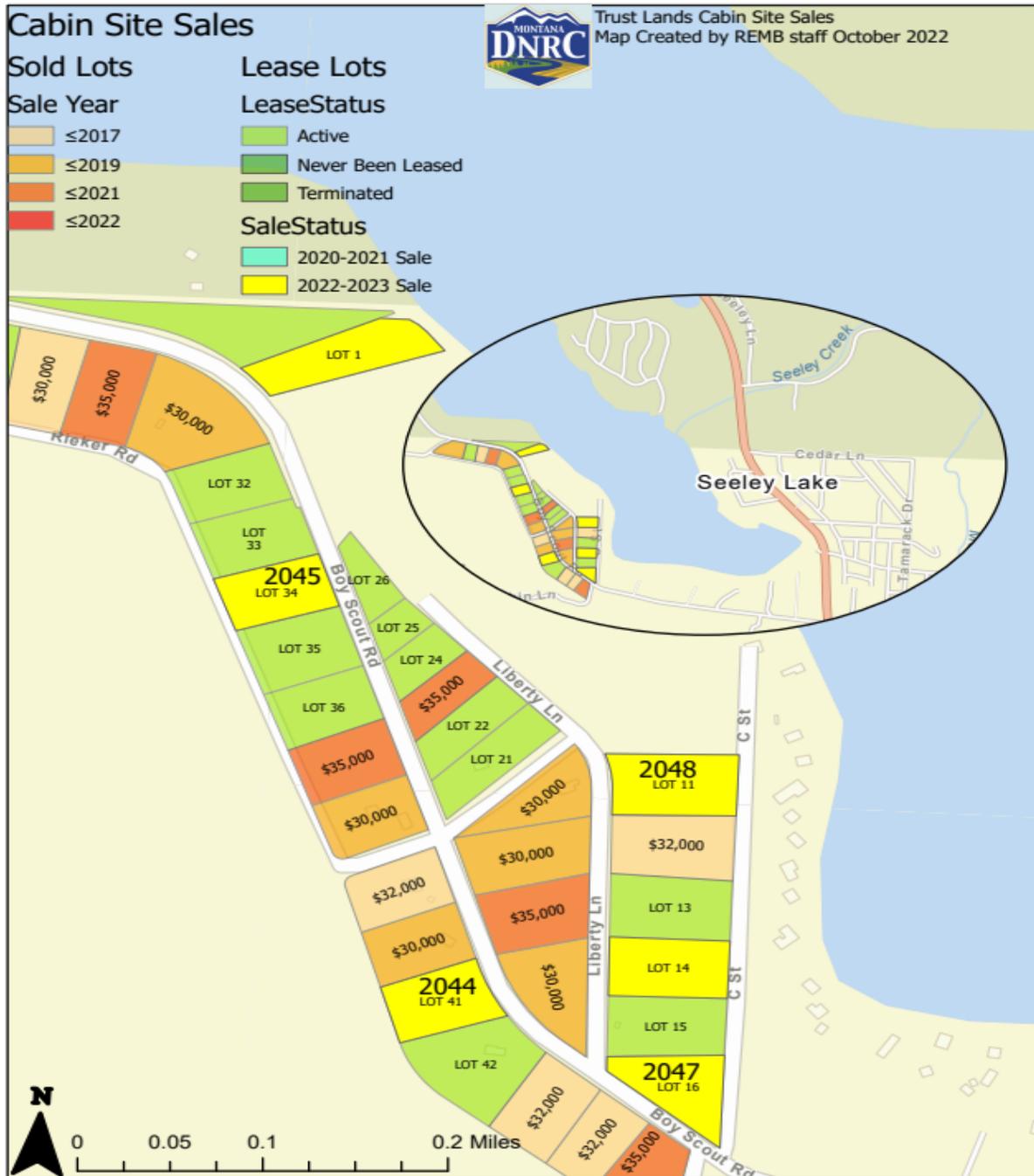
Sale Price

The cabin sites sold at public auction on December 21, 2023. There was one qualified bidder for each sale. The sites sold for the final sale prices listed above.

DNRC Recommendation

The DRNC recommends the Land Board grant final approval for the sale of these cabin sites at the values shown above.

Sales 2044, 2045, 2047, 2048, Missoula County



0124-4

EASEMENTS

**Land Board Agenda Item
January 16, 2024**

0124-4 Easements

Location: Carter County

Trust Benefits: Common Schools

Trust Revenue: \$8,212.00

Item Table of Contents

Applicant	Right-of-Way Purpose	Term	Page(s)
Mid-Rivers Telephone Cooperative	Fiber Optic Cable	Permanent	TBD

APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19612
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 1.59
Compensation: \$954.00
Legal Description: 16-foot strip through NW4SW4, S2SW4 & SW4SE4, Sec. 36,
Twp. 1N, Rge. 55E, Carter County
Trust Beneficiary: Common Schools

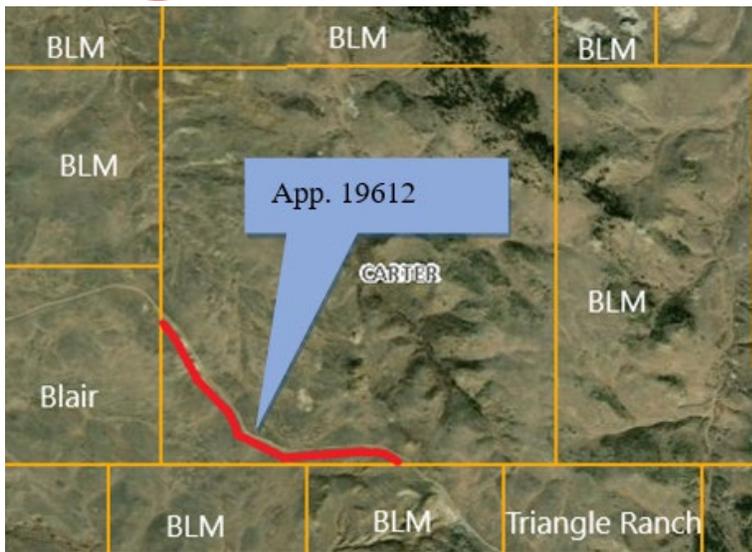
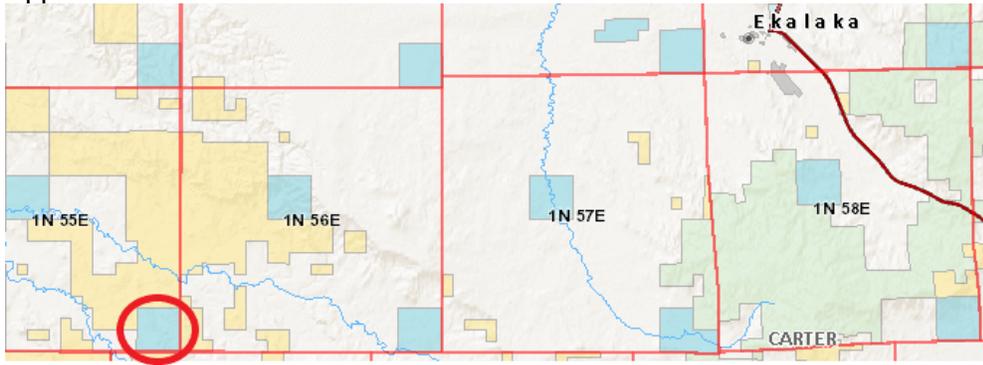
Item Summary

Mid-Rivers Telephone Cooperative is requesting an easement to install a buried fiber optic telecommunications cable. The line will provide reliable telephone and broadband services to homes and businesses in Carter County. The proposed route was chosen in order to follow the existing roadway. Other routes were considered and eliminated for topographical, environmental, and economic reasons.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19612



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19613
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 1.97
Compensation: \$1,182.00
Legal Description: 16-foot strip through S2SW4, SW4SE4, Gov. Lot 4, Sec. 36,
Twp. 1N, Rge. 56E, Carter County
Trust Beneficiary: Common Schools

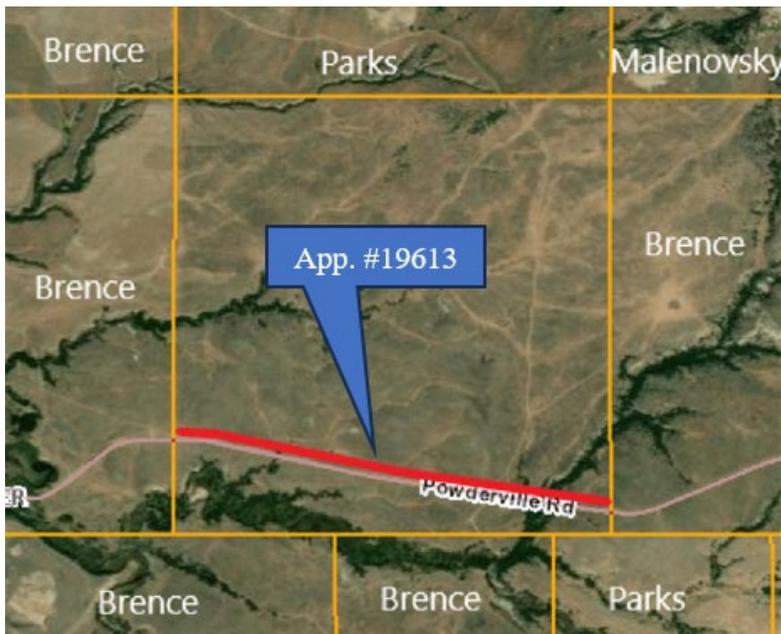
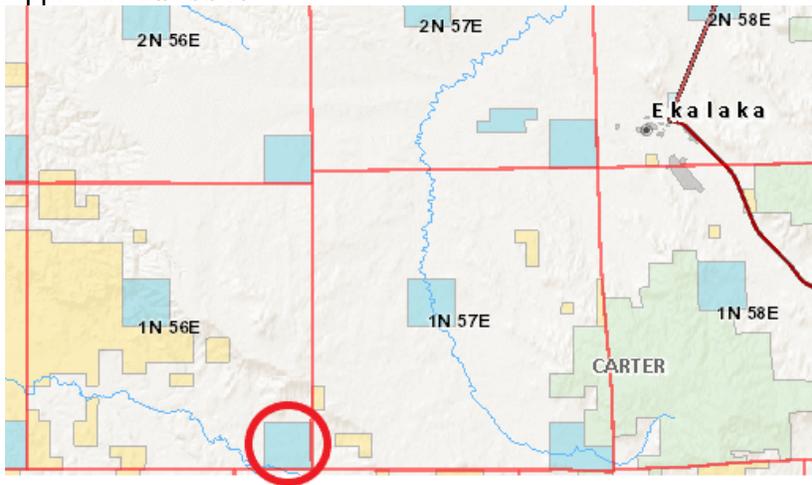
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19613



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19614
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 0.49
Compensation: \$294.00
Legal Description: 16-foot strip through SW4NE4, Sec. 18, Twp. 1S, Rge. 58E,
Carter County
Trust Beneficiary: Common Schools

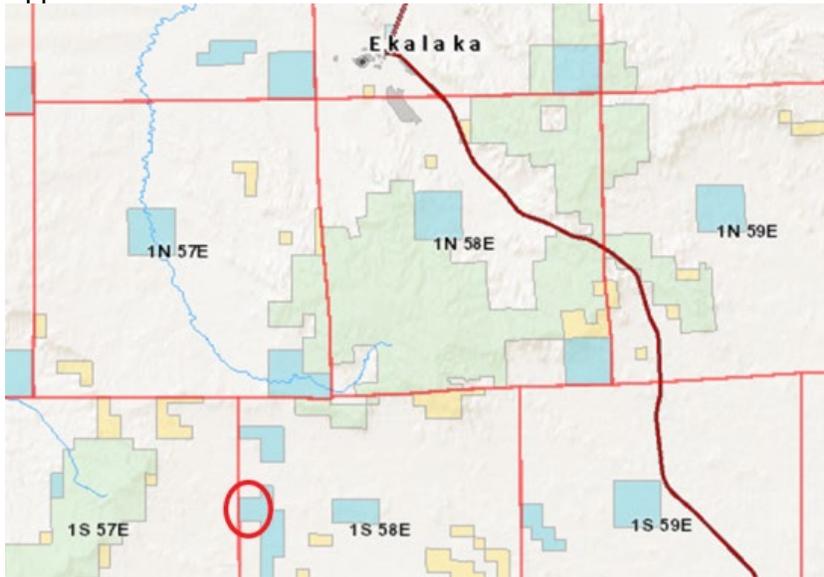
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19614



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19615
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 2.01
Compensation: \$1,206.00
Legal Description: 16-foot strip through Gov. Lots 7, 8, 11, 12 & 13, Sec. 36,
Twp. 1N, Rge. 57E, Carter County
Trust Beneficiary: Common Schools

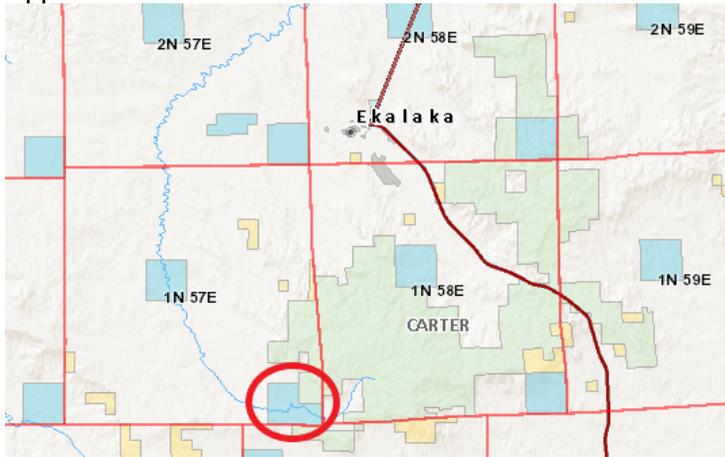
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19615



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19616
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 1.45
Compensation: \$870.00
Legal Description: 16-foot strip through S2SW4, SW4SE4, Sec. 26, Twp. 2N,
Rge. 57E, Carter County
Trust Beneficiary: Common Schools

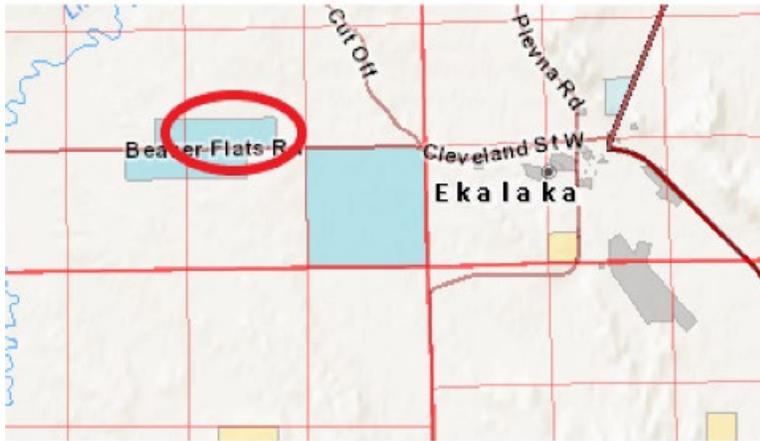
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19616



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19617
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 0.51
Compensation: \$306.00
Legal Description: 16-foot strip through SE4SE4, Sec. 27, Twp. 2N, Rge. 57E,
Carter County
Trust Beneficiary: Common Schools

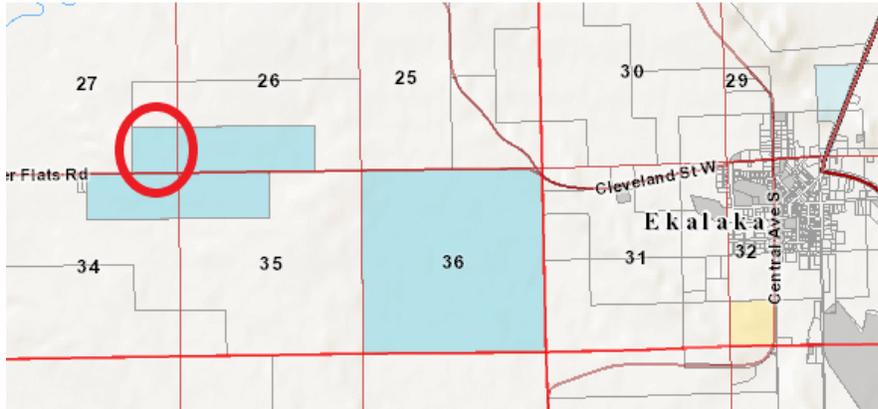
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19617



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19618
R/W Purpose: a buried fiber optic cable
Lessee Agreement: OK
Acreage: 2.27
Compensation: \$1,362.00
Legal Description: 16-foot strip through W2NE4, SE4NE4, E2SE4, Sec. 36, Twp. 4N,
Rge. 55E, Carter County
Trust Beneficiary: Common Schools

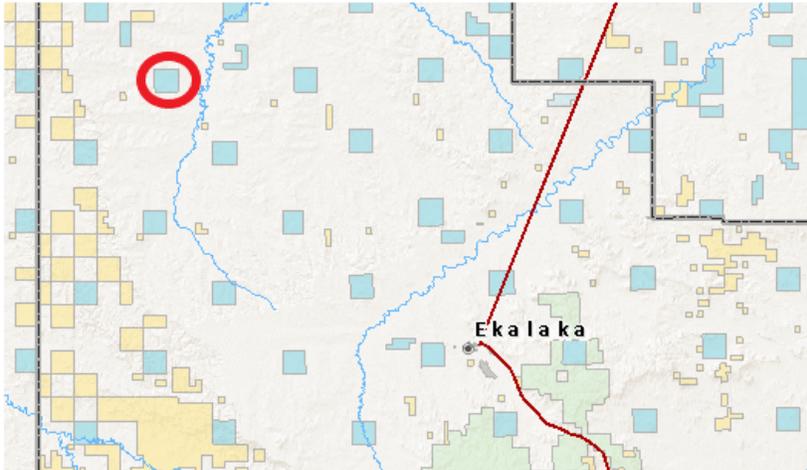
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19618



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19619
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 2.47
Compensation: \$1,482.00
Legal Description: 16-foot strip through N2NE4, SW4NE4, SE4NW4, N2SW4,
Sec. 16, Twp. 4N, Rge. 56E, Carter County
Trust Beneficiary: Common Schools

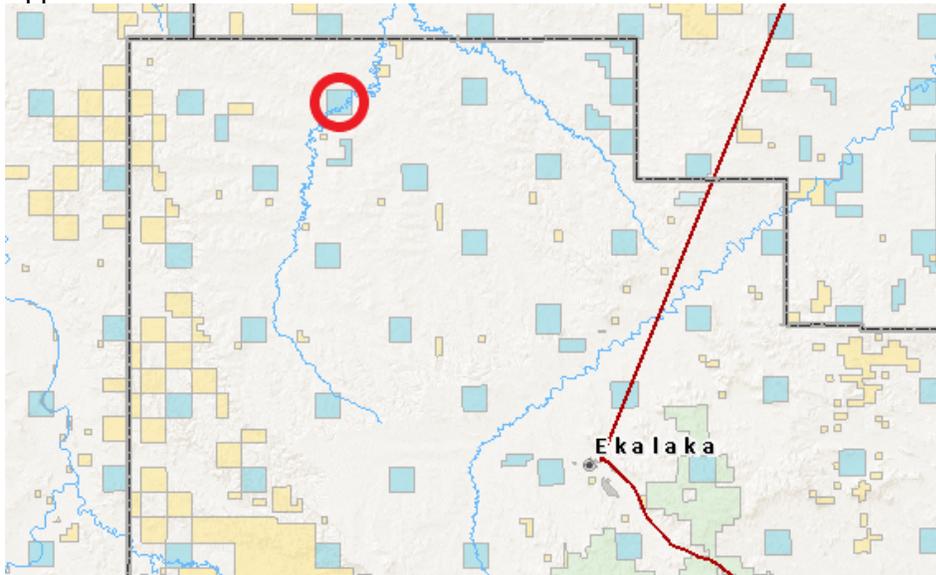
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19619



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19620
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 0.06
Compensation: \$100.00
Legal Description: 16-foot strip through Gov. Lot 1, Sec. 7, Twp. 1S, Rge. 58E,
Carter County
Trust Beneficiary: Common Schools

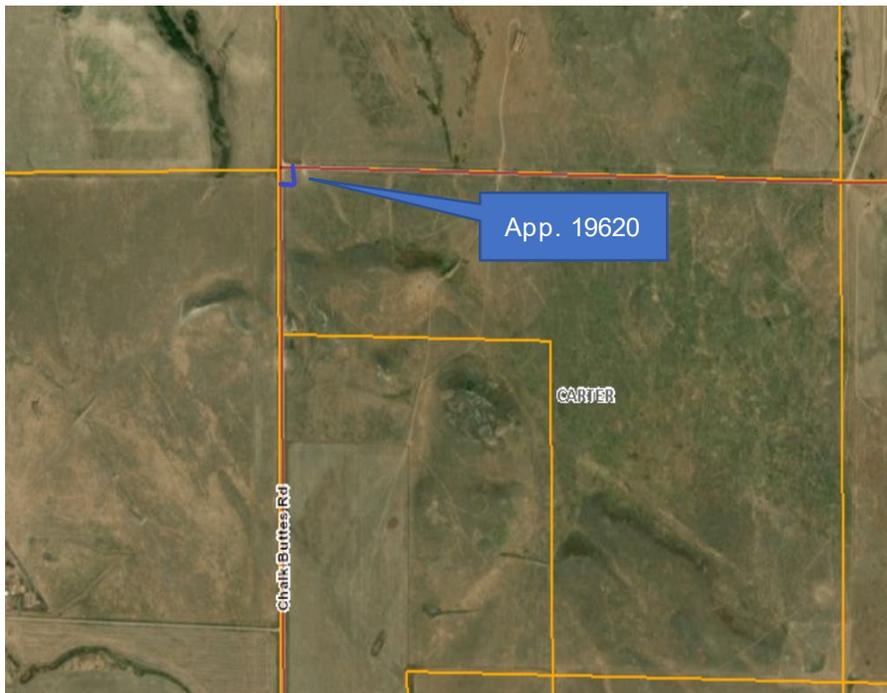
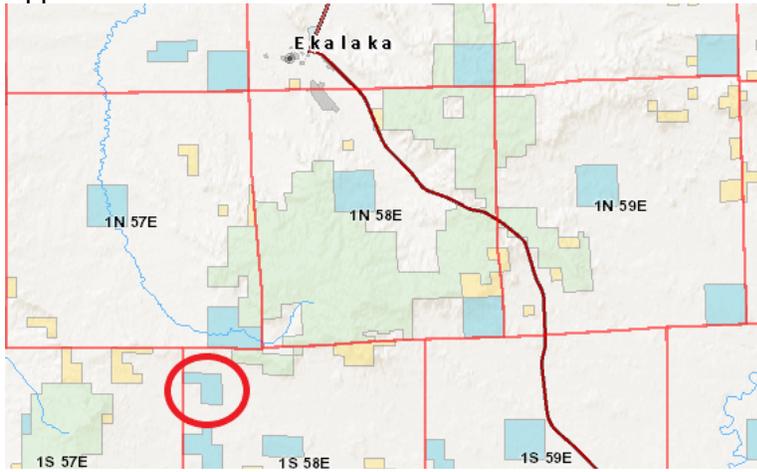
Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19620



APPLICANTS AND RIGHTS OF WAY INFORMATION

Applicant: Mid-Rivers Telephone Cooperative
PO Box 280
Circle, MT 59215

Application No.: 19621
R/W Purpose: a buried fiber optic cable
Lessee Agreement: ok
Acreage: 0.76
Compensation: \$456.00
Legal Description: 16-foot strip through N2NE4, Sec. 36, Twp. 2S, Rge. 59E,
Carter County
Trust Beneficiary: Common Schools

Item Summary

Continuation of Mid-Rivers Telephone Cooperative applications.

DNRC Recommendation

The DNRC recommends approval of the application of Mid-Rivers Telephone Cooperative.

Application #19621

