I. SUPPLEMENT STATEMENT

This Final Finding and Decision (FFD) supplements the Preliminary Decision (PD) issued on February 19, 2015 for the proposed actions, which is incorporated herein by this decision.

II. RECOMMENDED ACTION

The Department of Natural Resources (DNR) has determined in this decision that Alternative 3 described in the Preliminary Decision is the preferred action since it best fits the intent of and requirements of the Municipal Entitlement Act. The PD recommended actions were to convey and reject certain lands selected as municipal entitlement selections by the City and Borough of Wrangell (CBW). The FFD approves conveying 1,293 acres as fulfillment of the CBW remaining municipal entitlement of 1,071 acres under AS 29.65.010(14) and approves other lands under AS 38.05.810(a) as identified in TABLE 1 of this decision. The CBW total municipal entitlement is 9,006 acres.

LANDS TO BE CONVEYED

TABLE 1 lists those lands totaling approximately 1,293 acres for conveyance by this decision, final acreage will be determined at time of survey. The determined acreage amount is a net chargeable acreage that will be credited towards the fulfillment of the CBW municipal land entitlement. The state will retain the beds, including all the islands and gravel bars, within any navigable waters and anadromous streams. The estimated acreages for conveyance does not account for any exclusions from navigable waters. For these parcels, this decision determines that the interests of the CBW in obtaining this land outweigh the interests of the state in retaining it.

The state land is conveyed under the authority of AS 38.05.810(a). This decision finds that it is appropriate to waive the reverter interest requirement under AS 38.05.810(g). This action will allow these lands to be managed in a similar method with lands conveyed under municipal entitlement authorities.

<table>
<thead>
<tr>
<th>Map #</th>
<th>Parcel Name</th>
<th>Copper River Meridian, Township, Range</th>
<th>Section Legal Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Thoms Place</td>
<td>T65S, R86E</td>
<td>Sec. 31: NE¼</td>
<td>160</td>
</tr>
</tbody>
</table>
LANDS PROPOSED TO BE REJECTED

TABLE 2 lists those lands rejected for conveyance by this decision. These selections will be retained by the state because the interest of the state outweighs that of the CBW. The reasons are described in the PD.

<table>
<thead>
<tr>
<th>Map #</th>
<th>Parcel Name</th>
<th>Copper River Meridian Township, Range</th>
<th>Section Legal Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Earl West Cove</td>
<td>T64S, R85E</td>
<td>Sec. 02: NE¼NW¼</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sec. 03: S½SE¼</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sec. 10: NE¼</td>
<td>160</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Sec. 35: Gov. Lot 1</td>
<td>5.53</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lot 2</td>
<td>26.11</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lot 3</td>
<td>38.82</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lot 4</td>
<td>8.32</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>TOTAL</td>
<td>358.78</td>
</tr>
</tbody>
</table>

III. AUTHORITY

The proposed actions in this FFD are authorized pursuant to the Alaska State Statutes (AS) together with the Alaska Administration Code (AAC) particularly to AS 29.65, AS 38.05.035(e), AS 38.05.125, AS 38.05.127, AS 19.10.010, and 11 AAC 51. The adjudication of the 320 acres in Section 4, T63S, R80E, CRM of the St. John Harbor selection occurs under AS 38.05.810(a); the authority to waive the revisionary interest occurs under AS 38.05.810(g). CBW land selections within the Southeast State Forest (SESF) are authorized under the authority of AS 41.17.500(f). Nothing in this section prevents the CBW from exercising its land selection rights under AS 29.65.500(d) to state lands within its boundaries.

IV. PUBLIC NOTICE

Public Notice has been accomplished in accordance with AS 38.05.945.

V. COMMENTS ON THE PRELIMINARY DECISION AND DNR RESPONSES

There were no comments submitted to the PD.

VI. DISCUSSION AND FINAL FINDING AND DECISION

This decision affects the CBW municipal entitlement land selections totaling 1,651.78 acres. The majority of these selections (973 acres under AS 29.65.010(14) and 320 acres under
AS 38.05.810(a)) are determined to meet the requirement of AS 29.65.050(c) for conveyance to the CBW. This decision determines that the interest of the CBW outweigh those of the state for these parcels. However, certain parcels (totaling 358.78 acres) were found to be inconsistent with these requirements and will be retained by the state. The reasons for this are discussed in detail in the PD.

The following are specific findings in this decision that:

- It is appropriate to convey 973 acres of state owned land to CBW under AS 29.65.010(14). The interest of the state to retain these lands does not outweigh the interest of the CBW to obtain them.
- It is appropriate to convey 320 acres of state owned land to CBW under AS 38.05.810(a). The conveyance of these parcels is consistent with the requirements of AS 38.05.810(a).
- It is appropriate to reject a total of 358.78 acres of CBW land selections because the interest of the state outweighs the interest of the CBW. These parcels entail the Department of Transportation and Public Facilities right-of-way easement for Forest Service Road No. 6265 and a portion of the Southeast State Forest which has been determined to be essential to its operations.

The findings presented above has been reviewed and considered. Public Notice has been accomplished in accordance with AS 38.05.945. The case file has been found to be complete and the requirements of all applicable statues have been satisfied. I find that it is in the best interest of the state to proceed with the conveyance of those lands recommended for conveyance in this decision totaling 1,293 acres, subject to the requirements and stipulations of this decision and the PD and reject 358.78 acres of those lands recommended to be retained by the state and those lands the state has no ownership. TABLE 1 identifies those lands to be conveyed and TABLE 2, those that are rejected.

Recommended by:
Mary Hermon
Municipal Entitlement Specialist

Approved by:
Monica Alvarez, Acting Section Chief
Resource Assessments & Development

ATTACHMENTS
FFD Vicinity Map
Map 1: Earl West Cove
Map 2: Thoms Place
Map 3: St. John Harbor
APPEAL PROVISION

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received in writing within 20 calendar days after the date of the issuance of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to Mark Myers, Commissioner, Department of Natural Resources, 550 West 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov.

If no appeal is filed by the appeal deadline, this decision goes into effect as a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to the Superior Court (11 AAC 02.020(a) and (b)). A copy of 11 AAC 02 may be obtained from any regional office of the Department of Natural Resources.