STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER

Renewal Decision

National Oceanic and Atmospheric Administration

ADL 226893

AS 38.05.070(e) & AS 38.05.810(a)

Project Overview:
The Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Southcentral Regional Office (SCRO) has received a request from National Oceanic and Atmospheric Administration (NOAA) to renew a current lease for 1-acre of land for 10 years located near Trapper Creek, Alaska. The location of the project area is further described as being within S1/2SW1/4SE1/4 of Section 29, Township 26 North, Range 6 West, Seward Meridian. NOAA uses this site for the operation and maintenance of a pre-existing unattended, automated wind profiler used for year around weather monitoring.

History:
NOAA was issued a 10-year lease in 1997 for the use, operation and maintenance of a pre-existing, unmanned, automated wind profiler used for continuous weather monitoring. A new lease was issued in 2007 with no changes to the development plan. On December 28, 2015, SCRO received an application to renew the lease for an additional 10 years. The National Weather Service has used this site for the stated purpose pursuant to the development plan, and intends to continue the use of the site with no proposed changes.

Existing Infrastructure:
100 x 12-foot driveway
80 x 55-foot perimeter fence with a height of 6 feet
1 small utility shed
1 antenna array which uses low power doppler radar with a height of 3 feet

Lease Renewal Authority:
The original lease was issued pursuant to AS 38.05.810(a). AS 38.05.070(e) allows the Director of DMLW to renew a lease upon the expiration of a primary or renewal term.

Lease Renewal Qualifications:
In order to qualify for a renewal, a lessee must be in good standing. Good standing refers to the fact that the lessee's accounts are current, that there are no outstanding compliance issues, and that the lessee maintains a healthy business relationship with the lessor. A review of the case file has shown that the lessee is in good standing.

Lease Renewal Discussion:
Wind profilers are ground based doppler radars that are used to enhance the prediction of adverse weather. The Talkeetna wind profiler is part of a three-radar unit that helps predict inclement weather that may affect aircraft, and is also used to improve the warning for severe thunderstorms, flash floods, and winter storms in the Matanuska Susitna Valley.

Renewing the lease under AS 38.05.070(e) and AS 38.05.810(a) will allow the lessee and the lessor to reenter into lease contracts with minimal delays or disruptions. This lease renewal is consistent with the State's best interest as the leases provide for the utilization, development, and conservation.

Administrative Record:
Case file ADL 226893 constitutes the administrative record for this case.

Legal Description:
S1/2SW1/4SE1/4 of Section 29, Township 26 North, Range 6 West, Seward Meridian.

Title and Third Party Interest:
The State of Alaska holds fee title to the subject land under Patent No. 50-67-0429 issued on March 8, 1967. A title report (RPT - 9701) from DMLW's Realty Services Section dated June 5, 2017, advised that aside from the standard right-of-way for ditches or canals and a right-of-way for the construction of railroads, telegraph, and telephone lines, there are no other known reservations.

Excluded from the conveyance is Homestead A-026197.

Planning and Classification:
The project area is subject to the Susitna Matanuska Area Plan, Petersville Road Region (map number 3-9). This site is not located within a specific unit. The classification area surrounding the site is Public Use Recreation/Wildlife Habitat Land. Land classified public recreation is land that is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways. Land classified as wildlife habitat is land which is primarily valuable for fish and wildlife resource production. The lease site is consistent with the intent of the Susitna Matanuska Area Plan.

Access:
Road access to the site is by East Petersville Road to South Oilwell Road.

Authorization and Term Length:
Pursuant to AS 38.05.070(e) leases may only be renewed once and for a duration no longer than the original lease term. As such, this renewal lease will be issued for a 10-year term.

Annual Fee:
Under AS 38.05.810(a), DMLW may offer governmental agencies and political subdivisions leases with reduced rental rates, provided that the State-owned land in question is to be used for a public purpose and is in the public interest. Therefore, in accordance with the lessee's outgoing leases, annual compensation will be waived, and the lessee will not be charged rental fees for this lease. SCRO reserves the right to instate a yearly rental if conditions of the lease change.

Periodic Rate Adjustment:
In accordance with AS 38.05.105, the proposed lease will be subject to re-appraisal at five-year intervals after the issuance of the proposed authorization.

Bonding and Insurance:
As NOAA is a Federal agency that is self-insured and bonded; and as the Federal government guarantees compliance through statues and regulations; no performance guaranty or additional insurance will be required. However, SCRO does reserve the right to require a bond in the event NOAA fails to maintain the facilities or is found to be in violation of one or more conditions of their authorizations.

Reclamation Bond:
SCRO is reserving the right to require a reclamation bond due to noncompliance issues during the term of the lease or near the end of the life of the project.

Recommendation:
DMLW has completed a review of the information provided by the applicant, examined the relevant land management documents, and has found the proposed lease is consistent with all applicable statutes and regulations. SCRO considered three criteria to determine if this project provided the greatest benefit to the State and the development and enjoyment of its natural resources. The criteria include direct economic benefit to the State, indirect economic benefit to the State, and encouragement of the development of the State's resources. This lease renewal is consistent with the State's best interest as the lease provide for the utilization, development, and conservation of the natural resources belonging to the State for the maximum benefit of its people.

I recommend the issuance of a 10-year lease for ADL 226893 to support NOAA activities at this site as shown in the following attachments:

- Attachment A – Development Plan
- Attachment B – Additional Lease Stipulations

10 24 17

John Cotenas, Natural Resource Specialist II — Date

Decision:
The findings presented above have been reviewed and considered. The case file has been found to be complete and the requirements of all applicable statutes and regulations have been satisfied. I find that it is in the best interests of the State to renew this lease as described under the authority of AS 38.05.810(a) & AS 38.05.070(e).

11-13-17

Clark Cox, Regional Manager — Date
Southcentral Regional Office, Division of Mining, Land and Water

Appeal:
A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this decision, as defined in 11 AAC 02.040(c) and (d), and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to (907) 269-8918; or sent by email 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 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.

Development Plan ADL226893

April 6, 2017

The National Oceanic and Atmospheric Administration (NOAA) proposes the use of a small parcel of land in Trapper Creek, AK (owned by the Department of Natural Resources Division of Lands but leased to NOAA) for the operation of an upper air wind profiling radar. The radar, fence and parking area occupy approximately .11 acres. The property is located at 23791 South Oilwell Road in Trapper Creek, AK. The Matanuska Susitna Borough Tax ID is 76627 and the legal description is Township 26N Range 6W Section 29 Lot D1. The GPS coordinates are 61°18'28" N and 150°25'14" W.

The phased array wind profiler, operating at 449 MHz, is designed to autonomously and continuously provide data on wind speed and direction at a variety of heights in the atmosphere. This information is fed to forecast offices in Anchorage and Fairbanks as well as to global forecast models in support of aviation safety as it relates to volcanic ash and turbulence. The radar is designed to operate in a variety of conditions including extreme temperatures, severe thunderstorms and significant snow and ice accumulation.

The facility consists of a 40'x40' elevated antenna platform (approximately 6' off the ground) which contains 256 individual Yagi antenna elements. Antenna control assemblies and associated cabling are positioned on the under-side of the antenna platform. The platform foundation consists of steel legs attached to poured concrete footers. An equipment shelter measuring approximately 15' x 10' sits adjacent to the platform and contains the computer equipment which controls the radar's operation as well as the communications infrastructure to deliver the radar data to other nodes on the National Weather Service network. The foundation for this pre-fabricated fiberglass equipment shelter is poured concrete. The entire facility is surrounded by a 10' chain link fence.

The site had previously been used by another wind profiler of similar size, so no changes to the ground cover or surrounding area are required. Access to the site is by car or by foot via a gravel road off of Oilwell Road and it is publically accessible. The access road is plowed as needed in the winter. A gravel parking area exists just outside of the fence line. There are no plans for additional access routes. 200 amp electrical service powers the site and is obtained through the Matanuska Electric Authority. Back-up power is provided by an Uninterruptible Power Supply (UPS). The capability exists to attach a diesel powered generator to the site, but no generator is present. Since the site is unmanned, no water is required and no waste is generated. There are no hazardous substances used.

Routine maintenance is performed semi-annually and emergency maintenance is performed on an as-needed basis to keep the site operational. Routine maintenance includes cleaning and replacing HVAC and equipment air filters as well as visual inspection of radar components and cables. Other maintenance activities include removing snowfall from the top of the antenna array and pulling weeds from the underside of the antenna platform. An annual performance verification is conducted to ensure the accuracy of the radar data. These activities are conducted by National Weather Service personnel.

The radar is expected to have an operational lifespan well in excess of 10-15 years. When and if the facility is closed, an outside contractor will be retained to clear the site and provide complete restoration to match the surrounding area in accordance with the terms of the lease. This includes removal and backfill of all underground concrete foundation work as well as compacting, grading, placement of topsoil, seeding/mulching, etc., as necessary. All material from the site will be removed or disposed of as required by Federal, State and local laws. Nothing is buried, burned or disposed of on-site. This has been accomplished for all NPN sites in the continental United States over the past several years and the same care would be taken at this location.

Attachment B
Additional Lease Stipulations

1. **Authorized Officer** (AO): For the purpose of this Lease the Authorized Officer (AO) is the Regional Manager of the Southcentral Region Land Office. The AO may designate a representative for specific administrative portions of this authorization.

2. **Preference Right:** No preference right to a sale of this leasehold is granted or implied by the issuance of this Lease. Any renewal of this Lease will be subject to current statutes and regulations at the time of Lease expiration.

3. **Lease Utilization**: Section 4 of the Lease document is hereby amended to include the following: In accordance with 11 AAC 58.510, the lessee is bound to the approved Development Plan submitted as part of the application for Lease. Use of the land, or any portion of it, for purposes other than those specified in the Development Plan constitutes a breach of the Lease and may result in revocation. Failure to develop and/or utilize the leased site for a period of five years or more will, at the discretion of the AO, constitute grounds for termination of the Lease.

4. **Modifications to the Development Plan:** Sections 4 & 30 of the Lease document are hereby amended to include the following: To adequately address any modifications to the approved Development Plan, the lessee will be required to provide advance written notice to the AO for approval of those changes prior to construction or implementation. The AO reserves the right to reevaluate the Lease compensation and other terms and conditions of the Lease prior to approval. Based upon the extent of the modifications, the lessee may be required to submit a new a survey and/or appraisal, the cost of which is born by the lessee. No modifications are approved unless specifically authorized in writing by the AO.

5. **Request for Data/Additional Information:** For purposes of information and review, the AO may require the lessee to furnish data related to the use, maintenance, and operational activities undertaken in connection with this leasehold. The lessee shall furnish the required data as soon as possible or as otherwise required under the terms of this Lease.

6. **Inspections:** Section 13 of the Lease document is hereby amended to include the following: The AO may designate representatives to inspect the leased area at any time. Sites which are determined to be in noncompliance will be subject to reinspection for which the lessee may be assessed, at the AO's discretion, either a fee of $100 or a fee equal to the actual expenses incurred by the Division of Mining, Land and Water (11 AAC 05.010) for the inspection.

7. **Assignment:** Section 6 of the Lease document is hereby amended to include the following: In the event the lessee desires to transfer their interest of this Lease to another party, the lessee must submit a letter to the AO requesting the assignment and include a copy of the draft Assignment Agreement with that letter for review. The AO reserves the right to renegotiate new terms or conditions for the Lease prior to approving any assignment. The AO reserves the right to require an assignment between the lessee and another party in the event of a change in corporate ownership, or LLC/LLP membership/name change. A lease will not be assigned to an entity if that entity does not meet the statutory requirements of the lease.

8. **Subleasing:** Section 6 of the Lease document is hereby amended to include the following: The AO reserves the right to require revenue sharing as a condition of a sublease approval. Said fee shall be determined by negotiation between the lessee and the AO, but shall not be less than 25% of all compensation paid annually to the lessee by the sublessee for commercial usage. The amount of revenue sharing shall be subject to change at the same time as the Lease compensation adjustment and whenever the terms or conditions of the sublease agreement are amended. "Sublease" shall be defined to include any lease, rental, storage, or accommodation agreement between the lessee and another individual, business, or corporation

utilizing or benefiting from the leasehold. "Sublessee" shall be defined to mean any individual, business, or corporation executing an agreement, as above, with the lessee.

Before approval of a sublease will be given, the lessee must:

a) Be in compliance with all lease terms and conditions and in good standing with all other authorization per 11 AAC 96.145;

b) Submit a draft copy of the agreement(s) which will govern the sublease relationship; and

c) Submit a proposed Development Plan for the subleased area and, if necessary, an amended Development Plan for the leasehold.

Additionally, the AO is reserving the right to require a public notice period for any subleases that significantly changes the use or infrastructure of the approved leasehold. A lease will not be subleased to an entity if that entity does not meet the statutory requirements of the parent lease.

9. **Performance Guaranty:** Per section 25 of the Lease agreement: As NOAA is a federal agency that is self-insured and bonded, and as the federal government guarantees compliance through statues and regulations, no performance guarantee will be required

10. **Insurance:** Per section 24 of the Lease agreement: of the lease agreement is hereby amended to include the following: As NOAA is a Federal agency that is self-insured and bonded: and as the Federal government guarantees compliance through statues and regulations: no performance guarantee or additional insurance will be required. However, the SCRO does reserve the right to require a bond in the event NOAA fails to maintain the facilities or is found to be in violation of one or more conditions of their authorizations. In the event the Lessee becomes aware of a claim against any of its liability coverage, the Lessee shall notify, and provide documentation and full disclosure of the claim to the AO within 20 days.

11. **Historic Preservation:** The Alaska Historic Preservation Act (AS 41.35.200) prohibits the appropriation, excavation, removal, injury, or destruction of any State-owned historic/prehistoric archaeological or paleontological site without a lease from the commissioner. Should any sites be discovered during the course of field operations, activities that may cause damage will cease and the Office of History and Archaeology in the Division of Parks and Recreation (907) 269-8721/8720/8722 and the appropriate coastal district shall be notified immediately.

12. **Incurred Expenses:** All expenses incurred by the lessee connected with the exercise of the privileges covered by this authorization shall be borne solely by the lessee and the State of Alaska shall in no way be held liable for said expenses.

13. **Survey Monuments:** The lessee shall protect all survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and unsurveyed leasehold corner posts against damage, destruction, or obliteration. The lessee shall notify the AO of any damaged, destroyed, or obliterated markers and shall reestablish the markers in accordance with accepted survey practices of the Department of Natural Resources.

14. **Waste and Debris Disposal:** Section 4 of the Lease document is hereby amended to include the following: Onsite refuse disposal is prohibited. All waste generated during the construction, operation, maintenance, or termination of this Lease shall be removed and disposed of at an offsite Department of

Environmental Conservation-approved disposal facility. Waste, in this paragraph, means all discarded matter, including but not limited to human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and discarded equipment. The leasehold must be kept clean at all times.

15. **Use and Storage of Fuel:** Section 26 of the Lease document is hereby amended to include the following: All fuel storage container(s) with a total combined capacity larger than **55 gallons** shall not be placed within 100 feet from the ordinary high water mark of any water body. When fuel storage container(s) exceed a total combined capacity of **110 gallons**, the containers must be stored within a Department of Environmental Conservation-approved double-walled tank, or an impermeable diked area, or a portable impermeable containment structure capable of containing 110% of the capacity of the largest independent container. All containers must be clearly marked with the contents and the lessee's name and ADL number. Drip pans and materials, such as sorbent pads, must be on hand to contain and clean up all spills.

16. **Hazardous Substances:** (other than fuel): Section 26 of the Lease document is hereby amended to include the following:

d) Use of herbicides and pesticides by the lessee is prohibited without prior written approval from the AO.

e) No storage of hazardous material/substances is authorized within the leasehold without prior written approval from the AO.

f) The use of hazardous substances/materials must be done in accordance with existing Federal, State, and local laws.

After use, all hazardous substances/materials, including contaminated debris, must be removed from the site and disposed of or managed in accordance with State, Federal, and local laws.

17. **Spill Response:** Section 26 of the Lease document is hereby amended to include the following: The lessee is responsible for preventing fuel, hydraulic fluid, and oil spills that could result in contamination of contiguous land and water. Petroleum product spills shall be cleaned up immediately and any contaminated earth or vegetative materials shall be disposed of as required by the Alaska Department of Environmental Conservation regulations. To facilitate rapid spill response, adequate sorbent materials (i.e., material that collects or absorbs petroleum products while at the same time repels water) will be kept on site to be used in the event of a spill. Should any unlawful discharge, leakage, spillage, emission, or pollution of any type occur due to lessee activities, the lessee shall, at its expense, be obligated to clean the area to the reasonable satisfaction of the State of Alaska.

18. **Spill Notification:** Section 26 of the Lease document is hereby amended to include the following: The lessee is responsible for notifying the State of Alaska of any pollutants they have caused to be discharged, released, or spilled in or around the project area by contacting the Division of Mining, Land and Water Hazardous Materials Coordinator at (907) 269-8552 and the Department of Environmental Conservation Southcentral Area Response Team Office at (907) 269-3063 during business hours (after hours call the Department of Environmental Conservation Spill Hotline at (800) 478-9300) for the following situations:

Oil/Petroleum Releases:

To Water

- ***Any*** release of oil to water *must be reported* as soon as the lessee has knowledge of the discharge.

To Land

- Release(s) of oil **in excess of 55 gallons** must be reported as soon as the lessee has knowledge of the discharge.
- Release(s) of oil **between 10 and 55 gallons** must be reported within 48 hours after the lessee has knowledge of the discharge.
- The lessee is responsible for providing, on a monthly basis, a written record of any discharge of oil **between 1 to 10 gallons**.

Within Impermeable Secondary Containment Area

- Any release of oil **in excess of 55 gallons** must be reported within 48 hours after the lessee has knowledge of the discharge.

Hazardous Substance Releases:

- Release(s) of all hazardous substances (other than oil) **in any amount** must be reported as soon as the lessee has knowledge of the discharge.

The lessee is responsible for following all timelines, and submitting all required information as outlined in18 AAC 75.300 and other applicable spill regulations under Article 3.

19. **Lease Expiration and Site Reclamation:** No later than one (1) year prior to lease expiration, the lessee shall file with the AO:

g) A complete renewal/reissuance lease application; or

h) An approved reclamation plan for the leasehold. *Reclamation plans must include a description of the methods and techniques that will be used to rehabilitate affected areas of the leasehold. The plan must also include a specific time line showing when each step of the restoration process will be completed.*