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

Lease Extension Decision

Clint Mayeur dba Kiana Creek Outfitters ADL 226397 AS 38.05.070(f)

Decision to Extend Lease:

Clint Mayeur dba Kiana Creek Outfitters (the lessee) has requested to the Department of Natural Resources (DNR), Division of Mining, Land & Water (DMLW), to renew a current short-term lease near Kaina Creek, Alaska. The lease is set to expire on July 31, 2022. DMLW has made the decision to extend the lease for a maximum of two years pursuant to AS 38.05.070(f). This will allow DMLW time to receive an application for a new lease to be considered.

Scope of Decision:

The scope of this decision is to determine if it is in the State's best interest to extend the lease for ADL 226397 to the lessee for a period of two years to allow time to consider an application for a new lease.

Authority:

In accordance with AS 38.05.070(f), a lease may be extended once for a period up to two years. This lease extension is being adjudicated pursuant to AS 38.05.070, Generally; AS 38.05.070(g), the director shall provide public notice.

Administrative Record:

The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced herein, the 1986 Copper River Basin Area Plan and other classification references described herein, and the casefile for the lease serialized by DNR as ADL 226397.

Legal Description, Location, and Geographical Features:

The state land where this proposed lease is located is described as follows:

- **Legal description:** A 300' x 400' parcel of land located within the SE1/4 NE1/4 Section 12, Township 2 South, Range 6 West, Copper River Meridian, Alaska.
- Geographical location: Approximately 7 miles south-southeast of Kaina Lake
- Approximate Lat/Long: 61° 42.764′ N, 146° 13.258′ W

- Area geographical features: Creek drainage valley with spruce trees
- Existing surveys: None
- Municipality/Borough: Matanuska-Susitna Borough
- Native Corporations/Federally Recognized Tribes: Ahtna, Inc.
- Size: 2.75 acres, more or less

Title:

A DNR Title Report was requested on July 11, 2022, however, at the time of this decision a completed title report was unavailable.

Adjacent Landowners, Native Corporations or Borough:

The lease tract is within the Unorganized Borough. The lease tract is also within the Ahtna Inc. boundaries, though no corporation lands are impacted.

Third Party Interests:

No third-party interests are known at this time.

Planning and Classification:

The project area is subject to the Copper River Basin Area Plan ("the plan"), Management Unit 11: Chugach Mountains, Subunit 11A: Approximately seven miles south-southeast of Kaina Lake. The unit is designated Wildlife Habitat as a primary use, and Forestry as a secondary use, which converts to the classifications of Wildlife Habitat Land and Forestry Land, respectively. The existing use continues to be compatible with both the primary designation of Wildlife Habitat and Forestry as described in Chapter 2 of the plan: By promoting or enhancing public use and enjoyment of fish and wildlife resources; contributing to local, regional, and state economies through commercial, subsistence, sport and non-consumptive uses, while working to achieve the economic development of other resources; and management for multiple use. Further, the existing use continues to be compatible with the Unit Management Intent and Guidelines: The area will be retained in public ownership and managed for multiple use with emphasis on fish and wildlife habitat and harvest; however, while the plan acknowledges that the entire unit is used for hunting and trapping and acknowledges the existing of several cabins, the plan intends that no additional cabins be built in the Upper Kaina or Klutina drainages; It should be noted that at the time of this decision to extend the existing lease, DNR is in process of updating the plan, and that the new application for lease would be subject to those revisions.

Access:

Access to the lease site is by small aircraft landing on the adjacent unmaintained airstrip.

Hazardous Materials and Potential Contaminants:

The use and storage of all hazardous substances must be done in accordance with existing federal, state, and local laws. Debris (such as soil) contaminated with used motor oil, solvents, or other

chemicals may be classified as a hazardous substance and must be removed from the lease site and disposed of in accordance with state and federal law.

Lease Performance Guaranty (bonding):

Currently a performance guaranty in the amount of \$2,500.00 is on file for ADL 226397. For purposes of a lease extension, this amount will suffice. However, in accordance with AS 38.05.035, AS 38.05.860, and 11 AAC 96.060(a) Performance Guaranty, the performance guaranty amount will be reevaluated once SCRO has received a complete application for a new lease to be considered.

SCRO is reserving the right to require a reclamation bond in the event of noncompliance issues during the term of the lease or near the end of the life of the project.

Survey:

No survey is required for this lease extension.

Insurance:

In accordance with the terms of the original lease, Comprehensive General Liability Insurance will be required. Insurance is subject to review and adjustment.

Compensation and Appraisal:

This lease uses the approved fee schedule for commercial camps outlined in the fee schedule # 2618-15. The annual fee will remain at the current amount of \$1,270. In accordance with AS 38.05.105, this lease may be subject to either periodic rent adjustments every five years according to an adjusted fair market value, or to periodic lease fee schedule updates every two years.

Public Notice:

Pursuant to AS 38.05.070(g) the department shall provide public notice of the lease extension decision. Public notice describing this proposed action will be posted on the State of Alaska Online Public Notice System for 30 days.

Background:

The lease agreement and amendments are collectively referred to herein as "the lease". Clint Mayeur is the current lessee for ADL 226397, which is set to expire July 31, 2022. On July 11, 2022, Mr. Mayeur requested that ADL 226397 be extended for an additional two years as allowed under AS 38.05.070(f).

The lease was first issued to Garlan "Rocky" Keen on August 1, 2002, for a term of 10 years. On October 5, 2007, the lease was assigned from Garlan "Rocky" Keen to Clint Mayeur dba Kiana Creek Outfitters. On August 1, 2012, the lease was renewed for an additional 10-year term and set to expire on July 31, 2022. Clint Mayeur submitted a request to renew ADL 226397 on May 17, 2021, and to date, the application is deemed incomplete. Because a renewal option has been

exhausted for this particular lease, a new lease application will have to be considered while the current authorization is extended.

Lease Discussion:

The lease site is used for commercial recreation with existing improvements of 16' x 24' cabin, 10' x 10' wood cache with canopy, 12' x 20' weatherport, 24' x 40' wood frame building, outhouse, and an 8' x 12' wood frame generator/shower house. The improvements will be used to support the lessee's commercial recreation business. This lease extension will provide time to consider a new lease for the site.

Signature Page Follows

Recommendation:

It has been determined that the lease extension for a term of two years is in the best interest of the State. Issuance of the lease extension for a limited term will allow for continued use while DNR adjudicates a new lease. It will allow the lessee and the lessor to continue a lease agreement without a lapse in authorizations that will result in unauthorized use.

In consideration of all the information and facts listed above, it is my recommendation that a lease extension with a limited term is consistent with the overall classification and management intent for this land and would be a benefit to the State of Alaska. It is recommended that DNR extend this lease for a term of two years as shown in the following attachment:

| • | Attachment A | Sample | Lease Ex | tension | Agreement |
|---|--------------|--------------------------|----------|---------|-----------|
|---|--------------|--------------------------|----------|---------|-----------|

| Ench. | 7/15/2022 |
|---|-----------|
| Bren McIver, Natural Resource Specialist 2 | Date |
| Division of Mining, Land and Water, Southcentral Regional Land Office | |

Extension Decision:

The casefile has been found to be complete and the requirements of all applicable statutes have been satisfied. I find that it is in the best interest of the State to proceed with the lease extension pursuant to AS 38.05.070(f) as recommended above.

| Samantha Carroll | 7/19/2022 |
|---|-----------|
| Samantha Carroll, Regional Manager | Date |
| Division of Mining, Land and Water, Southcentral Regional Land Office | |

Appeal:

An eligible person affected by this decision may appeal to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907) 269-8918; or sent by electronic mail to dnr.appeals@alaska.gov. Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(6), which has been set at \$200 under the provisions of 11 AAC 05.160(a)-(b). A PDF or print copy of 11 AAC 02 may be obtained by contacting Erik Fossum via phone at (907) 269-8429, via email at dnr.appeals@alaska.gov, and is also available on the Department's website at https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf.

Attachment A Sample Lease Extension Agreement

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
550 W. 7th Avenue, Suite 900C
Anchorage, Alaska 99501-3579

Extension To Lease Agreement

Clint Mayeur dba Kiana Creek Outfitters ADL No. 226397 AS 38.05.070(f)

In accordance with AS 38.05.070(f), the term of Lease Agreement ADL 226397, entered into by Clint Mayeur dba Kiana Creek Outfitters, effective the 1st day of August 2012, recorded as Document No. 2013-000132-0 in the Chitina Recording District, is hereby extended to 12 o'clock midnight on the 31st day of July 2024.

This extension effects the following described leasehold:

A 300' x 400' parcel of land located within Section 12, Township 2 South, Range 6 West, Copper River Meridian, Alaska, containing 2.75 acres more or less.

All other terms and conditions of the lease agreement remain unchanged.

Attachment A Sample Lease Extension Agreement

By signing this lease extension, the lessor and the lessee agree to be bound by its provisions.

| | LESSEE: | | |
|---|--|-------------|--|
| | Clint Mayeur dba Kiana Creek Outfitters | | |
| | LESSOR: | | |
| | Samantha Carroll, Regional Manager Southcentral Regional Land Office | | |
| STATE OF ALASKA) | | | |
| Judicial District) | | | |
| me personally appeared | AT ON THIS day of, 20, known to me to be the person name nowledged voluntarily signing the same. | | |
| | | | |
| | Notary Public in and for the State of Alaska My commission expires: | | |
| STATE OF ALASKA)) ssJudicial District) | | | |
| THIS IS TO CERTIFY TH | AT ON THIS day of | 22 . before | |
| | , of the Division of Mining, Land and W | | |
| | of the State of Alaska, who executed the foregoing lease of | | |
| the State of Alaska, and who is full | | | |
| | Notary Public in and for the State of Alaska | | |
| | My commission expires: | | |
| | | | |

Recorder's Office: Return the recorded document to:

DNR DMLW, SCRO ATTN: Bren McIver 550 W 7th Ave., Suite 900C Anchorage AK, 99501-3577