



PUBLIC NOTICE
Material Site Designation ADL 234737
Department of Natural Resources Division of Mining, Land & Water

May 5, 2026

Subject to **AS 38.05.565**, the SCRO Material Sales Program has received an application for the following:

APPLICANT: Department of Natural Resources Division of Mining, Land & Water

PROJECT NAME: ADL Material Site Designation ADL 234737

GEOGRAPHIC LOCATION: Within the tide and submerged lands of the Chignik Lagoon approximately 2,000 feet northeast of Chignik Lagoon Airport in Chignik Lagoon, Alaska, near Old Ladies Creek.

LEGAL DESCRIPTION: A 12-acre submerged land site within NE1/4 of Section 5 and NW1/4 of Section 4, Township 45 South, Range 59 West, Seward Meridian.

REQUESTED ACTIVITY: Department of Natural Resources Division of Mining, Land & Water is proposing to designate this location for material extraction.

REQUESTED TERM: Designation is indefinite.

DEADLINE FOR COMMENTS: June 5, 2026, at 11:59 pm

DMLW is seeking information related to the extraction of material from this site that may assist in the development of specific operating/reclamation requirements for the site, or identifying any multiple land use issues that may need to be addressed prior to issuance of this or future contracts.

To ensure consideration, written comments must be received by the Division of Mining, Land and Water at South Central Regional Land Office, 550 7th Ave suite 900c, Anchorage, Alaska 99501 on or before 11:59 p.m. on the date noted above. Comments or questions about this activity should be directed to Grace Newcomb, 907-269-8560; Fax: 907-269-8913 or e-mail: grace.newcomb@alaska.gov.

After review and adjudication, we may issue an authorization with stipulations for the activity. The activity may be modified during the review and adjudication process.

DNR-DMLW complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services or special modifications to comment should contact Alaska Relay at 711 or 800-770-8973 for TTY services.

The DMLW reserves the right to waive technical defects in this notice.



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

Southcentral Regional Land Office

**Preliminary Decision
ADL 234737 Designated Material Site**

AS 38.05.550-565

This Preliminary Decision (PD) is the State's preliminary best interest finding regarding a proposed disposal of interest in state land. The public is invited to comment on this PD. The deadline for commenting is June 5, 2026, at **11:59 pm**. Please, see the Public Notice section of this decision for requirements related to submitting comments for consideration.

Requested Action

The Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW) became aware of a lack of state material resources in the Chignik Lagoon area, and proposes the designation of an approximately 12-acre material site. The material site is located on state-owned tidelands in Chignik Lagoon near the mouth of Old Ladies Creek.

Proposed Action

The Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Southcentral Regional Land Office (SCRO) proposes establishing an approximately 12-acre site as designated material site ADL 234737 to allow for issuance of material sale contracts under AS 38.05.550-565. In accordance with AS 38.04.065 and AS 38.05.300, state land must be classified for surface use in areas considered proper and necessary. This site designation would carry the following proposed constraints which would be applied to all future contracts:

- Equipment storage and stockpiling in the material site are prohibited because the site is in submerged lands.
- Dredging will be done in even, shallow lifts to avoid pitting and allow for efficient self-reclamation.
- Eel Grass provides habitat for many local species. Extraction will be done so as not to alter or impact eel grass or kelp growth unless no other location is feasible and permission is explicitly granted by this office.
- Extraction will be done away from freshwater channels. To prevent turbidity, extraction is encouraged to occur during low tide.
- This material site is located on submerged lands. The US Army Corp of Engineers, and Alaska Department of Fish and Game Habitat section may require permits before extraction may occur.
- A local bridge (no. 1800) over Packers Creek is posted for 10 tons gross vehicle weight; it cannot handle heavy loads. Questions may be directed to Measurement Standards Commercial Vehicle Compliance at <https://dot.alaska.gov/mscve/pages/permits.shtml>

Scope of Decision

The scope of this decision is to determine if it is in the State's best interest to designate the tideland near Old Ladies Creek as a material site, and what, if any, additional operating requirements should be implemented specific to this site. The scope is based on the statutes, regulations, and other facts contained in the case files for ADL 234737, and the body of this decision.

Authority

The file is being adjudicated pursuant Alaska Statutes AS 38.05.035(e) (best interest finding), AS 38.05.550-565 (material sales), AS 38.05.945 (notice), and AS 27.19 (reclamation).

The authority to execute the Preliminary Decision and the Final Finding and Decision has been delegated to the Regional Managers of DMLW. In SCRO, this authority has been further delegated to Natural Resource Manager 1's.

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 here-in, the 2013 Bristol Bay Area Plan and other classification references described therein, and the casefile for the application serialized by DNR as ADL 234737.

Location and Legal Description

Location: The proposed material site is located on state-owned tide and submerged lands in Chignik Lagoon, northwest of the mouth of Old Ladies Creek, as depicted in Attachment A, Site Map.

Legal Description: Within NE1/4 of Section 5 and NW1/4 of Section 4, Township 45 South, Range 59 West, Seward Meridian, containing 12 acres, more or less.

Borough/Municipality: The site is located within the Lake & Peninsula Borough.

Regional/Village Corp: The local village corporation is Chignik Lagoon Native Corporation, and the regional corporation Bristol Bay Native Corporation. No corporation land is involved.

Title

The land in question lies within the boundary of State-owned submerged land based on the Submerged Lands Act. Under the Alaska Statehood Act (P.L. 85-508) and the Submerged Land Act of 1953 (P.L. 31, 83rd Congress, First Session; 67 Stat. 29), the State received title to submerged lands. A title report has been requested to confirm this.

Adjacent Landowners

The adjacent uplands are private parcels owned by the Chignik Lagoon Native Corporation and Bristol Bay Native Corporation. Public notice will be mailed to the landowners of record for these parcels.

Third Party Interests

There are no third-party interests within the site.

Background

DMLW does not have a record of material extraction activities in this area, however, DMLW has become aware of the need for a local gravel resource to support community maintenance in the Chignik Lagoon area, as communicated by Chignik Lagoon Village Council to this office.

The tide and submerged lands covered by the proposed material site were conveyed to the State of Alaska at the date of statehood. This conveyance took place by the operation of the Equal Footing Doctrine, the Submerged Lands Act of 1953 as accepted in the Alaska Statehood Act. There are no valid pre-statehood withdrawals documented within the vicinity of the project. For definitions of submerged lands and tidelands, please see AS 38.05.965 (25) and (26). Therefore, the state has an ownership interest and can issue authorizations within these tide and submerged lands.

Easement ADL 233422 is nearby, for Fiber Optic with GCI Communication Corp. The Chignik Lagoon Airport is also nearby, under management right ADL 224035, and management agreement ADL 230396. None of these authorizations cross into the proposed area for this material site.

Although the proposed site is located at the mouth of Old Ladies Creek and the stream is not known to be anadromous, National Marine Fisheries Service identifies Chignik Lagoon as essential fish habitat for multiple salmon species including but not limited to flounder, walleye pollock, southern and northern rocksole, pacific cod, flathead sole, Alaska Plaice, yellow finsole, and rexsole.

Planning and Classification

The proposed site is within the Bristol Bay Area Plan (BBAP), adopted September 2013, Region 17 Chignik, Perryville (pg. 3-233, Map 3-1 pg. 3-14, and Map 3-17). The tideland and submerged lands in this area are not designated therefore 'General Use' will apply for management intent purposes.

The General Use areas are described as considered generally appropriate for a wide variety of uses such as set net sites, mariculture facilities, or other typical uses of tidelands. Most tidelands and submerged lands within the planning area are recognized to contain important subsistence, recreational, or commercial fisheries (BBAP pg. 3-3).

BBAP provides that "Using materials from wetlands, lakes, tidelands, and active or inactive floodplain rivers or streams should be avoided unless no feasible public upland alternative exists. As a general policy, sales or permits for gravel extraction will not be permitted in known fish spawning areas. Material sites shall be maintained in public ownership..." (BBAP 2-33). Additionally, "Material sites should be screened from roads, residential areas, recreational areas, and other areas of significant human use" (BBAP 2-33).

The proposed material site is adjacent but not directly next to the town surrounding the Chignik Lagoon airport, which will assist in screening this site from view while remaining accessible, as it is within tidelands and has no vegetative buffer to preserve for this purpose. There are no other public, DMLW managed material sites in the vicinity of the proposed location, nor reasonably

close state-owned uplands. The nearest designated public material source is on state-owned land on the eastern side of Kodiak Island near Lake Rose Tead.

Based on the above considerations, designating a material site and authorizing subsequent material extraction activities at this location would be consistent with BBAP.

Traditional Use Finding

The subject material site is located within the Lake and Peninsula Borough (LPB), therefore, a traditional use finding is not required.

Access

Legal access to the material site is over the state-owned tide and submerged lands of Chignik Lagoon. Physical access to the material site is either via the waters of Chignik Lagoon, or via an overland route with landowner permission.

To facilitate safe public access, operators of this site will coordinate access and share with the community organization and borough.

Waterbodies

The site is in state-owned tidelands within Chignik Lagoon. Additionally, the site is near the mouth of Old Ladies Creek. (See Attachment A Site Map).

Access Along Navigable and Public Waters

AS 38.05.127 requires that when the department is disposing of any interest in state land, DNR identify navigable and public waters, and easements necessary to ensure access along the water is to be reserved unless regulating or limiting access is necessary for other public purposes. This site is located on the tidelands of Chignik Lagoon, which are state-owned. While a Material Site Designation is considered a disposal of an interest in state land whereby DMLW can sell material, the underlying land will remain in State ownership.

The uplands are owned by private parties; although private parties may be allowing use of their land for access purposes, public access rights are limited to state lands below mean high tide.

No easement is required to ensure continued access along Chignik Lagoon.

Public Trust Doctrine

Pursuant to AS 38.05.126, all contracts issued pursuant to any site designation will be subject to the principles of the Public Trust Doctrine; specifically, the right of the people to use navigable and public waterways for: navigation, commerce, fishing, hunting, protection of areas for ecological studies, and other purposes. These rights must be protected to the maximum extent practicable while allowing for the development of this project. Under the public trust doctrine, the general public can use navigable and public waters for any generally allowable and lawful use consistent with the public trust- including boating and all forms of permissible recreation. Public use of the water and the land below the ordinary high-water mark in connection with such use is not considered trespassing. As such, DMLW is reserving the right to grant other authorizations to the subject area consistent with the Public Trust Doctrine

Mineral Orders

The proposed material site is not currently closed to mineral entry, and no restrictions/closures are recommended.

Environmental Risk

Future applicants for material sale contracts from this site may submit an Environmental Risk Questionnaire with the material sale application. No storage or authorization of hazardous materials or fuel will be authorized. The standard provisions regarding spill reporting will be included in any material sale authorizations issued from this material site.

Agency Comments

The DMLW conducted an agency review from October 31, 2025, to November 21, 2025. Information and comments received from sections within DMLW prior to and during agency review have been considered and included in the preparation of this preliminary decision. The following agencies were solicited for comments regarding this proposed material site designation and material sale:

Heather O'Claray, DOT, Right-of-Way Section (DOT ROW)
Alaska Department of Fish and Game (ADFG), Habitat Section
ADFG, Access Defense Section
US Army Corps of Engineers (USACE)
DNR Land Development
Carol Mahara, US Fish and Wildlife Service (USFWS)

The following comments were received:

ADFG Habitat Section Comment: ADFG Habitat Section noted that the proposed material site is located near the mouth of a creek locally known as Old Lady Creek. There has not been a fish survey or overflight of this stream conducted by ADFG, so there is no data available on the absence or presence of fish. However, Commercial Fisheries staff were informed by Chignik Lagoon residents that they do not believe Old Ladies Creek to be anadromous. If fish surveys are conducted in this stream or if new information on fish presence/absence is shared with ADFG, DMLW SCRO will be informed.

DMLW Response: DMLW understands the concerns regarding anadromous fish habitat. Although no fish habitat is known to be supported by Old Lady Creek, if in the future ADFG becomes aware of the creek being anadromous and informs DMLW SCRO of this, this office will require with contracts that an associated development plan first receives non-objection or approval by ADFG Habitat Section.

DNR Land Development Comment: No objection to ADL 234737.

DMLW Response: Thanked for their non-objection.

USFWS Comment: Shared that while this stream and others nearby are not currently included in the Anadromous Waters Catalog, the lower reaches of the stream, including the substrate in the intertidal area and especially when the tide provides access, may be anadromous fish habitat. Fish sampling would be the best way to know what species occupy the creek, and if anadromous fish were found, Alaska Department of Fish and Game, Habitat Division would know the most appropriate species-specific instream work windows for that area.

Instead of timing windows, [their] suggestion would be to avoid the freshwater channel and any areas with eel grass and kelp growth. The best way to do this would be to time extraction activities when tides are low, making the freshwater channel easiest to distinguish and minimizing extraction-related turbidity. Having a spill prevention plan in place for this site will also be important.

There may be additional recommendations when the Federal permitting process begins, especially if there is new fish sampling information. National Marine Fisheries Service have resources that could help with identifying timing windows and other mitigation measures.

DMLW Response: Thanked for their comment. Recommendations will be incorporated into the stipulations associated with this proposed material site.

USACE Comment: Portions of the proposed site may be in waters of the U.S. within USACE's jurisdiction. If future projects include dredging or the discharge or placement of dredged or fill material into waters of the U.S., a permit would be required prior to conducting the work.

DMLW Response: Thanked for their comment. A stipulation will be added to contracts issued out of this site describing the potential need for permitting through USACE.

DOT ROW: Nearby bridge No. 1800 which may be used during the transport of material from the proposed site, is posted for 10 tons gross vehicle weight. It has been identified as unable to handle heavy loads, and divisible loads are not eligible for permits.

DMLW Response: Thanked for their comment. A stipulation will be added to future contracts describing weight limit of this bridge over Packers Creek.

Public Notice

Pursuant to AS 38.05.945, this PD will be advertised for a 30-day public comment period, starting on May 6, 2026. In addition, the Chignik Lagoon post office(s) located near the proposed material site will be requested to post the notice pursuant to AS 38.05.945(b)(3)(C). The notice will also be posted on the State of Alaska Online Public Notice website pursuant to AS 38.05.945(b)(3)(B) located at: <https://aws.state.ak.us/OnlinePublicNotices/Default.aspx>

In accordance with AS 38.05.946, Lake and Peninsula Borough, Bristol Bay Native Corporation, a regional corporation, and Chignik Lagoon Native Corporation, a village corporation, are entitled

to receive notice under AS 38.05.945(c), and may hold a hearing within 30 days after the receipt of the notice.

The public is invited to comment on this PD. All comments received during the public comment period will be considered in the FFD. A copy of the FFD, along with instructions on filing an appeal, will be sent to all persons who comment on the PD. If public comments result in significant changes to the PD, additional public notice may be given.

To be eligible to appeal, a person affected by the FFD must provide written comments during the public comment period per AS 38.05.035(i).

Written comments about this project must be received in this office no later than 11:59 PM on June 5, 2026, to be considered.

To submit comments please choose one of the following methods:

Mail: Department of Natural Resources
Division of Mining, Land and Water
South Central Regional Land Office
ATTN: Grace Newcomb
550 West 7th Ave, Suite 900c
Anchorage, Alaska 99501
Email: grace.newcomb@alaska.gov
Fax: (907) 269-8913

Questions about this project can be directed to Grace Newcomb at (907) 269-8560.

Survey and Appraisal

A survey for this material site is not required per AS 38.04.045. DMLW may require a survey in the future, should conditions arise that warrant a survey.

An appraisal is not required to sell materials under AS 38.05.555, and there has been no request from the applicant to perform an appraisal under AS 38.05.555(b)(2). The regional representative sale price for this site is currently \$2.50 per cubic yard.

Performance Guaranty

Performance bonds are required at the discretion of the director per 11 AAC 71.095(a). Future material sale contracts issued from this site will provide a performance guaranty in accordance with 11 AAC 71.095, and the requested total value of the material sale contract.

Insurance

Consistent with AS 38.05.035(a) to protect the State from liability associated with the use of the site, all buyers from the proposed material site location shall provide and maintain a comprehensive general liability insurance policy with the State of Alaska named as an additional insured party per the terms of the executed material sale contract. The buyer shall secure or

purchase at its own expense and maintain in force at all times during the term of any material sale contract issued from the proposed site, liability coverage and limits consistent with what is professionally recommended as adequate to protect the applicant and the State, its officers, agents and employees from the liability exposures of ALL the insured's operations on state land. The insurance requirement may be adjusted periodically.

Discussion

DMLW has initiated the designation of material site ADL 234737 for the future issuance of contracts authorizing extraction and the purchase of material. The reason for designating this material site is to provide a resource for material in an area where roads are primarily maintained by gravel placement, and where there is no existing public material site reasonably nearby to support local needs.

The proposed material site is in the tidelands of Chignik Lagoon. Old Ladies Creek is near the proposed location and deposits material into the site as the mouth open up into Chignik Lagoon. Because the site is often submerged, equipment storage and stockpiling are not suitable. Related, dredging should be done in even shallow lifts to prevent pitting in the site, which also may facilitate self-reclamation as the tideland material replenishes overtime.

The proposed site is within an area that may be of interest and accessed by subsistence users for fishing and hunting. No shoreward easement is deemed necessary to facilitate access as the state land is frequently submerged here. Contracts issued from this site may be required to coordinate use with subsistence users.

Material Site Designation

The material site is being designated under disposal of material statutes AS 38.05.550 and AS 38.05.555. This decision will designate ADL 234737 as a material site for the long-term sale and extraction of materials until closed by the DMLW. Contracts for the sale of material may be issued by DMLW either by negotiated, competitive, limited, or public and charitable material sale methods. Contracts issued under AS 38.05.550-565, Material Sales, will be issued at a representative sale price per cubic yard determined by the DNR Commissioner or at fair market value determined by appraisal. Some sales under AS 38.05.565, Sale or Disposal of Materials for Special Purposes, may be without cost. Contracts issued under the authority of AS 38.05.810(a) Public and Charitable will be issued at less than fair market value.

Although DMLW may continuously sell materials without further finding once the site is designated, the DMLW must also ensure that state land and natural resources be available for the maximum use consistent with the public interest. To that end, the DMLW will continue to carefully review individual sale requests and operation plans once sites have been designated, to ensure resource consideration and multiple use issues are appropriately evaluated.

Recommendation

Based upon the information provided by the applicant, as well as review of relevant planning documents, statutes, regulations, and case files related to this application, the DNR, DMLW, SCRO proposes designating and authorizing the development of the ADL 234737 material site and as applied for, subsequently issuing material sale contracts up to 5 years in length at the discretion of this office and subject to the conditions described in this document, operating requirements and standard contract terms. This decision considers ownership of the site, the need for reasonable access to material sources in the region and the project site, agency concerns, and project-specific needs.

5/5/2026

Grace NewcombDate
Natural Resource Specialist 3

Preliminary Decision

I find that the proposed action as recommended above may be in the state’s best interest and is hereby approved to proceed to public notice. Additional operating requirements identified during the public comment period may be included in the Final Finding and Decision and subsequent authorization.

5/5/2026


Kate DufaultDate
Natural Resource Manager 2

Attachments

Attachment A – Site Map




General Location Map
Material Site ADL 234737

 Material Site Boundary

Proposed Material Site ADL 234737 is located approximately 2,000 feet northeast of Chignik Lagoon Airport in Chignik Lagoon, Alaska, near Old Ladies Creek within the submerged tidelands. Subject area is 12 acres located within Sections 5 & 4, Range 59 West, Township 45 South, Seward Meridian for material use.

Note: This is a planning document only. Boundaries shown on this drawing are approximate. This does not convey property interest, as such, is used only as a representation of the project. World Imagery.



 Date: 3/23/2026