

The Alaska Mental Health Trust Authority
Trust Land Office
BEST INTEREST DECISION
Doyon Limited Inc. Fiber Optic Line from Fairbanks to Yukon River
Non-Exclusive Term Easement

MHT: 9400899

MH Parcels: F20286, F20288, F20289, F20298, F20299,
F20309.001, F20309.002, F70015 and F70536

In accordance with AS 38.05.801 et seq. and the implementing regulations governing Alaska Mental Health Trust (“Trust”) land management (11 AAC 99), Trust land shall be managed consistently with the responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)). This means that management shall be conducted solely in the best interest of the Trust and its beneficiaries.

In determining the best interest of the Trust and its beneficiaries, and in determining consistency between state law and the Alaska Mental Health Enabling Act, the Executive Director of the Alaska Mental Health Trust Land Office (“TLO”) shall, at a minimum, consider the following interactive Trust management principles in accordance with 11 AAC 99.020:

- Maximization of long-term revenue from Trust land;
- Protection of the corpus;
- Protection and enhancement of the long-term productivity of Trust land;
- Encouragement of a diversity of revenue-producing uses of Trust land; and
- Management of Trust land prudently, efficiently, and with accountability to the Trust and its beneficiaries.

I. Proposed Use of Trust Land. Issuance of a non-exclusive 30-year easement for fiber optic communications infrastructure.

II. Applicant/File #. Doyon Limited, Inc. / MHT 9400899

III. Subject Property.

A. Legal Description.

An easement 30 feet by 19,248 feet, located within Sections 7, 18, 19, & 30 in T. 2 N., R. 1 E., F.M.; Section 1 in T. 2 N., R. 1 W., F.M.; Sections 28, 29, 30, 33 & 34 in T. 8 N., R. 4 W., F.M. and Sections 21, 25, 26, 27 & 28 in T. 8 N., R. 5 W., F.M., containing 13.25 acres more or less.

B. Settlement Parcel Number(s). F20286, F20288, F20289, F20298, F20299, F20309.001, F20309.002, F70015 and F70536

C. Site Characteristics/Primary Resource Values. The Subject Lands are located in two areas: one just west of Livengood and the other north of Fox — both paralleling the Elliott Highway corridor. Both areas consist of rolling uplands with intermixed lowlands, underlain in places by discontinuous permafrost and

supporting a mixed spruce–birch forest typical of Interior Alaska. The landscapes include pockets of muskeg and poorly drained terrain. Both locations lie within historic mining districts, and active placer mining occurs in the vicinity. The Trust owns the fee estate in the Subject Lands, and at this time the primary resource values of interest are mineral resources. Use of these lands for a term easement does not preclude other compatible projects from taking place, and may benefit from any sort of infrastructure development in the region.

- D. Historical and Existing Uses of the Property.** Mining, recreation, utilities, and wildlife habitat.
- E. Adjacent Land Use Trends.** Adjacent land use trends include mining, recreation, forestry, wildlife habitat, and telecommunication facilities.
- F. Previous State Plans/Classifications.** The segments of the proposed project were previously included within the 1991 Tanana Basin Area Plan and were identified in the Fairbanks North Star Borough Subregion 1 West (Subunits 1E1, 1I1, 1J1, 1J2, 1H2) and in the Lower Tanana Subregion 2 (Subunit 2K1). These units contain the Land Use Designations of Minerals, Public Recreation, Settlement, and Wildlife Habitat.

Since conversion of the land to be in Trust ownership, these lands are no longer bound by state area plans and are to be managed in the best interest of the Trust. Should other resource development advance in the vicinity of this proposed action, the Trust retains the ability to manage compatible uses.

- G. Existing Plans Affecting the Subject Parcel.** The Subject Lands outside of Livengood fall within the Unorganized Borough and do not have zoning regulations. The Subject Lands north of Fox are zoned General Use-1 which will not affect the proposed action.
- H. Apparent Highest and Best Use.** The highest and best use is anticipated to be mineral exploration and telecommunication infrastructure, which is supported by this easement proposal. This term easement does not prevent future development of the parcels.

IV. Proposal Background. Doyon Limited plans to install a 96-strand fiber optic cable to be collocated on existing aerial infrastructure from Haglebarger avenue in Fairbanks to MP14 of the Elliot highway. The cable will be plowed, trenched and bored in various locations. The greater project will bring high-speed fiber connectivity to Yukon Crossing and villages along the Yukon River easterly to Fort Yukon.

V. Terms and Conditions. The proposed action includes authorizing surface use of the aforementioned portions of Trust land for a primary term of 30 years, with terms for extensions. An Easement Construction License will be issued for the entry, permitting, construction, surveying and initial operation, until construction of the authorized improvements is substantially complete, an as-built survey acceptable to the Trust is submitted, and a corresponding easement is issued. Upon issuance of the easement, the Construction License shall terminate automatically.

- A. Annual Rent.** The rent for the Easement Construction License will be \$1.50/linear foot annually and the fee may be adjusted per the post-construction as-built survey that will be used to legally define the easement. The rate will have built in escalations in 5-year increments. For the calculation of rent during the Easement Construction License phase, a total combined segment length of 19,248 linear feet will be applied. A survey must be conducted to establish the definitive easement length for official Easement location and linear feet of the Easement.
- B. Insurance.** The applicant is required to maintain insurance for the project that meets or exceeds the TLO's standards.
- C. Survey.** The applicant shall be required to complete a final as-built survey prior to conversion to the final easement authorization.

VI. Resource Management Considerations. The proposal is consistent with the "Resource Management Strategy for Trust Land" (RMS), which was adopted October 2021 in consultation with the Trust and provides for the TLO to maximize return at prudent levels of risk, prevent liabilities, and convert nonperforming assets into performing assets.

VII. Alternatives. (1) Do not offer the land for development, which would result in lost revenue and decreased communications infrastructure in the State of Alaska.

VIII. Risk Management Considerations.

- A. Performance Risks.** Performance risks will be mitigated through the TLO's standard Easement Agreement document.
- B. Environmental Risks.** There are no known environmental risks associated with the proposed easement.
- C. Public Concerns.** Subject to comments resulting from the public notice, there are no other known public concerns.
- D. Mineral Estate Risks.** State mining claims underlay portions of the proposed route. The mineral estate is the dominate estate and the proposed fiber optic line may be impacted if mining occurs. Doyon would be required to work with the claimant to relocate the fiber optic cable.

IX. Due Diligence.

- A. Site Inspection.** TLO Staff have inspected the parcels in the past and are generally familiar with the Trust parcels affected by this decision. TLO Staff would inspect the activity periodically throughout the life of this authorization.
- B. Valuation.** Easement terms are competitive market rates that maximize the revenue of the lands.
- C. Terms and Conditions Review.** The standard TLO Easement Agreement documents have been reviewed by the Department of Law.

X. Authorities.

- A. Applicable Authority.** AS 37.14.009(a), AS 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal).

B. Inconsistency Determination. As the proposed negotiated easement is specifically authorized under 11 AAC 99, any relevant provision of law applicable to other state lands is inapplicable to this action if it is inconsistent with Trust responsibilities accepted by the State under the Alaska Mental Health Enabling Act (P.L. 84-830, 70 Stat. 709 (1956)) as clarified by AS 38.05.801 and Alaska Mental Health Trust land regulations (11 AAC 99). 11 AAC 99 includes determinations that certain State statutes applicable to other State land do not apply to Trust land unless determined by the Executive Director, on a case-by-case basis, to be consistent with 11 AAC 99.020. The State Statutes deemed inconsistent with Trust management principles and inapplicable to Trust land by these regulations have not been applied to this decision or this action, including, but not limited to, AS 38.04 (Policy for Use and Classification of State Land Surface), AS 38.05.035 (Powers and Duties of the Director), AS 38.05.300 (Classification of Land), AS 38.05.945 (Notice), AS 38.05.946 (Hearings), and 11 AAC 02 (Appeals).

XI. Trust Authority Consultation. The Alaska Mental Health Trust Resource Management Committee was consulted on April 23, 2025. The Committee recommended that the proposed transaction be forwarded to the Alaska Mental Health Trust board of trustees. On May 21, 2025, the board of trustees adopted the motion stating:

“The Alaska Mental Health Trust Authority Board of Trustees concur with the disposal of a portion of Trust parcels F20286, F20288, F20289, F20298, F20299, F20309.001, F20309.002, F70015, and F70536, as depicted in exhibits, through a 30-year term nonexclusive easement to Doyon Limited, Inc.”

XII. Best Interest Decision. Given the information above and the information contained in the complete record, the Executive Director finds that the proposed transaction is in the best interest of the Trust, subject to the terms and conditions addressed in this decision. The decision is based upon the consideration of the five Trust management principles set out in 11 AAC 99.020 and is in full compliance with 11 AAC 99. This decision does not preclude the TLO from determining that an alternative proposal will serve the best interest of the Trust. A future determination of that nature will require a best interest decision specific to the proposal.

A. Non-competitive Disposal Determination. 11 AAC 99.020 (d) allows for the disposal of Trust land through a competitive basis, unless the Executive Director in consultation with the Trust Authority, determines in a written decision required by 11 AAC 99.040 that a non-competitive disposal is in the best interest of the Trust and its beneficiaries. Given that no other entity has secured the same level of business agreements as the applicant with the State of Alaska, the likelihood of another party submitting a qualified offer for the same project in which the Trust will benefit from the collection of annual compensation with the same level of minimal impact to Trust land is reduced to a point that warrants a non-competitive disposal process.

XIII. Opportunity for Comment. Notice of this Best Interest Decision will take place as provided under 11 AAC 99.050. Persons who believe that the decision should be altered because it is not in the best interest of the Trust or its beneficiaries, or because the decision is inconsistent with Trust management principles set out in 11 AAC 99.020 or any other provision of 11 AAC 99, must provide written comments to the TLO during the notice period. Following the comment deadline, the Executive Director will consider timely written comments that question the decision on the basis of the best interest of the Trust and its beneficiaries or inconsistency with 11 AAC 99. The Executive Director may then, in his or her discretion, modify the decision in whole or in part in response to such comments or other pertinent information, or affirm the Best Interest Decision without changes. The Best Interest Decision as modified or affirmed will become the final agency action, subject to reconsideration procedures under 11 AAC 99.060. Additional notice will be provided for a substantially modified decision. If no comments are received by the end of the notice period, this Best Interest Decision will be affirmed, and the proposed action taken. (See notice for specific dates.)


XIV. Reconsideration. To be eligible to file for reconsideration of this Best Interest Decision, or to file a subsequent appeal to the Superior Court, a person must submit written comments during the notice period.

Persons who submit timely written comments will be provided with a copy of the final written decision and will be eligible to request reconsideration within 20 calendar days after publication of the notice or receipt of the decision, whichever is earlier under 11 AAC 99.060(b). This request must be accompanied by the fee established by the Executive Director under 11 AAC 99.130, which has been set at \$500, to be eligible for reconsideration. The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the request for reconsideration. If the Executive Director takes no action during the 20-day period following the request for reconsideration, the request is considered denied. Denial of a request for reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560.

XV. Available Documents. Background documents and information cited herein is on file and available for review at the TLO, located at 2600 Cordova Street, Suite 201, Anchorage, Alaska 99503. Phone: (907) 269-8658. Email: mhtlo@alaska.gov.

The disposal action proposed by this decision will occur no less than 30 days after the first publication date of this decision, and after the conclusion of the TLO administrative process. For specific dates or further information about the disposal, interested parties should contact the TLO at the above address, or visit the website at: <https://alaskamentalhealthtrust.org/trust-land-office/>.

XVI. APPROVED:


Jusdi Warner
Executive Director
Alaska Mental Health Trust Land Office

5/18/2026
Date