



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

**Preliminary Decision
ADL 234751 Designated Material Site
ADL 224966 Department of Transportation and Public Facilities
Negotiated Material Sale
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 **July 30, 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), Southcentral Regional Land Office (SCRO) has received a request from The Department of Transportation and Public Facilities (DOT&PF) to designate an approximately 70-acre material site located along the Parks Highway about 26 miles south of Cantwell, Alaska, near Antimony Creek. The location of the proposed project area is further described as a site of approximately 70-acres within Section 8 & 9, Township 21 South, Range 10 West, Fairbanks Meridian. The applicant is applying to designate this location for material extraction and purchase 600,000 cubic yards (cy) of material to be extracted from this site, summer 2026 through summer 2031.

Proposed Action

DOT&PF’s request has shown the need to designate the Antimony Creek Material Site, as required by Alaska Statutes (AS) 38.05.550(b). As outlined in the July 7, 2025, memorandum concerning management of material sites and sales, because this material site was previously used and associated with the 2012 Omnibus Designation Decision but was not formally named, DNR proposes designating this site to allow for meaningful public comment. The Department of Natural Resources (DNR), Division of Mining, Land, and Water (DMLW), Southcentral Regional Office (SCRO) proposes establishing an approximately 70-acre site as designated material site ADL 234751 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. The designation would carry the following stipulations which are to be applied to all future contracts:

- A riparian buffer of 300 feet is imposed along each side of the East Fork Chulitna River and Antimony Creek landward from the ordinary high water line (OHW).

- A riparian buffer of 50 feet is imposed along each side of the unnamed creek landward from the ordinary high water line (OHW) in the north boundary of site as depicted in Attachment A.
- A vegetation buffer of 100 feet is imposed along the Parks Highway.
- DMLW has consulted with ADF&G and the USFWS, and while there has been a report of a trumpeter swan nest in the general vicinity, neither agency noted significant concentrations of nesting in the area. Additionally, the Susitna Matanuska Area Plan notes that trumpeter swans are typically found in wetter areas. The majority of this site is upland forest; and a no-disturbance zone is imposed on the wetlands in the northeast corner of the site as depicted in Attachment A.
- Prior to contract issuance, DMLW will consult with USFWS to determine proper measures to mitigate impacts to trumpeter swan nesting.

Scope of Decision

The scope of this decision is to determine if it is in the State's best interest to designate this area along the Parks Highway near Antimony 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 234751 and ADL 224966, and the body of this decision.

Authority

The file is being adjudicated pursuant to 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, classification references described therein, and the casefile for the application serialized by DNR as ADL 234751 and ADL 224966.

Location and Legal Description

Location: The proposed material site is located on state-owned land along the Parks Highway, at approximately MP 181.5, about 26 miles south of Cantwell, Alaska, near Antimony Creek, as depicted in Attachment A, Site Map.

Legal Description: That portion of the E1/2SE1/4 of protracted Section 8, and that portion of the SW1/4 of protracted Section 9, Township 21 South, Range 10 West, Fairbanks Meridian, Alaska,

ADL 234751 Material Site Designation Preliminary Decision
ADL 224966 Material Sale, DOT&PF

according to the plat accepted by the United State Department of the Interior, Bureau of Land Management in Anchorage, Alaska, on April 20, 2001, and more specifically identified as “M.S. 35-4-045-2” on the Record of Survey of George Parks Highway Material Site M.S. 35-4-045-2 and Antimony Creek Maintenance Station, recorded in the Talkeetna Recording District on July 19, 2010, as Plat No. 2010-11, containing 69.710 acres, more or less.

Borough/Municipality: The site is located within the Matanuska-Susitna Borough.

Regional Corp: This area falls within the boundaries of Doyon Limited Regional Corporation. No corporation land is involved in this sale or designation.

Title

The State of Alaska holds fee title to the subject land and mineral estates under U. S. Patent No. 50-2019-0113 dated August 9, 2019. A DNR Title Report (RPT-24162) issued on March 9, 2026 from DMLW’s Realty Services Section attests that aside from the usual reservations for ditches, canals, railroads, telegraph and telephone lines, and water rights, there are no other reservations within the proposed lease site.

Adjacent Landowners

The land immediately surrounding the proposed material site is state-owned, but near the proposed material site lies a group of Federally Conveyed Native Allotments. Courtesy notices will be mailed or emailed to neighboring property owners, permit/lease holders, and other interested parties.

Third Party Interests

There are no third-party interests within the site.

Background

This proposed material site location is serialized by DOT as MS 35-4-045-2. A material sale serialized as ADL 224966 was adjudicated in 2015 within the site to be used with the adjacent Interagency Land Management Agreement (ILMA) ADL 230500, Antimony Creek Maintenance Station. The contract ADL will remain the same. However, at the time of previous issuance, the site was associated with the 2012 Omnibus decision but was not formally named; the submission of a material sale application by DOT&PF necessitates a formal designation prior to authorizing further contracts.

Planning and Classification

The proposed material site location falls within the North Parks Highway Region, unit N-04 and N-07 of the Susitna Matanuska Area Plan. Unit N-04 is designated as Habitat (Ha) which converts to the classification of Wildlife Habitat Land and unit N-07 is designated as Settlement (Se), which converts to the classification of Settlement Land. Unit N-04 recommends managing the unit to protect and maintain fish and wildlife habitat and associated hydrologic values, stating waterfowl, including trumpeter swans, occur in the wetter areas. Moose are present and the area adjacent to the East Fork is known to be winter concentration and rutting area (3-19). Fish and

Wildlife habitats are defined as areas that serve as concentrated use areas for fish and wildlife species during a sensitive life history stage where alteration of the habitat and/or human disturbance could result in a permanent loss of a population or sustained yield of the species. (2-13). Furthermore, the plan states that uses not consistent with a plan designation, not authorized in a management intent statement, or such uses if permitted would result in the degradation of the resource(s) within areas designated “Ha”, are to be considered incompatible and are not to be authorized. Degradation of the resource might result from actions involving one or more of the following factors: dredging, filling, significant compaction of vegetation and sediment, alteration of flow patterns, discharge of toxic substances, or disturbance during sensitive periods (2-14). However, non-designated uses that cause significant adverse impacts to the resources identified within a given “Ha” parcel can be allowed if DNR in consultation with ADF&G determines that the non-designated use can be made compatible and significant adverse impacts to the “Ha” area avoided with appropriate design, siting, and operating stipulations (2-15). ADF&G and the USFWS were both included in the agency review to obtain guidance and ensure a well-informed decision.

The area plan notes that in trumpeter swan and Tule geese nesting areas, uses that would disturb a significant number of nesting swans or geese, or detrimentally alter their nesting habitat, should be avoided (2-18). Through consultation with USFWS and ADF&G, it was determined that there is not a significant number of nesting swans or geese in the vicinity of the proposed material site. While there has been a report of a trumpeter swan nest in the general vicinity, neither agency noted significant concentrations of nesting in the area. The area plan notes that trumpeter swans are typically found in wetter areas; as the majority of this site is upland forest, a no disturbance zone will be imposed on the wetlands in the northeast corner of the site as depicted on Attachment A. DMLW will consult with USFWS and ADF&G to determine proper measures to mitigate impacts to trumpeter swan nesting prior to contract issuance.

According to the Management Intent of unit N-07 which contains other material sites, it is recommended for the siting of future material sites, to carefully evaluate the effects of such uses on moose winter concentration areas and protect any particularly significant moose concentration areas that are identified as moose are present in the unit and portions function as a winter concentration area. Waterfowl are also present (3-20). However, if a settlement area contains sand and gravel deposits, rock sources or other similar, high value material resources, a pit area should be identified during subdivision design and retained in state ownership for future use (2-29).

A riparian buffer of 300 feet landward from ordinary high water (OHW) is to be maintained on the Chulitna River, to protect anadromous streams with riparian buffers as described in Chapter 2, stating “a 300’ protection area should be provided adjacent to the Chulitna River, including the East and West Forks among other rivers and creeks” (2-41). According to ADF&G, there appears to be two creeks within the boundaries of the site. Antimony Creek lies adjacent to the site and has been surveyed finding salmon smolt and Dolly Vardon. These streams are fed by the East Fork Chulitna River, an anadromous waterbody, meaning Antimony Creek will also require a riparian buffer though it should be noted that the boundary of the site excludes Antimony

Creek. The second unnamed creek in question runs along the northern area of the site. It is unclear if the creek is anadromous and will therefore have a riparian buffer of 50 feet on either side of the OHW for streams and other freshwater waterbodies that are not protected by anadromous riparian buffers (2-46).

Additionally, material sites adjacent to the Parks Highway are subject to a vegetative buffer of 75' or more (2-29).

Based on the above considerations, designating a material site and authorizing material extraction activities at this location would be consistent with Susitna Matanuska Area Plan.

Traditional Use Finding

The subject material site is located within the Matanuska-Susitna Borough; therefore, a traditional use finding is not required per AS 38.05.830.

Access

Legal access to the material site is via the Parks Highway. This site is currently undeveloped, and as the applicant, DOT proposes to plan and construct an access road for continued public use.

Waterbodies

According to ADF&G, there appears to be two creeks within the boundaries of the site which are fed by the East Fork Chulitna River, a waterbody cataloged as anadromous. Antimony Creek runs southeast along the site and is anadromous. The second creek runs east along the north boundary of the site, and its anadromy has not been confirmed. The East Fork Chulitna River runs northeast, north of the site. (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 adjacent to the East Fork Chulitna River, which is a navigable water. While 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.

Riparian buffers will be enforced along these waterbodies as outlined by the Susitna Matanuska Area Plan, to preserve the natural banks and flora. Because of this, access along these navigable water bodies shall remain unchanged.

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 public to use navigable waterways and the land beneath them 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. 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.

A mineral closing order (MO 1162A01) lies adjacent to the site. Mining claims exist within the area but not overlapping the proposed material site.

Environmental Risk

The applicant submitted 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.

The applicant has stated that approximately 25 gallons of diesel and no more than 10 gallons of lubrication fluids are required to run construction equipment for excavation and hauling, but that no fuel will be stored on site.

Agency Review

DMLW conducted an agency review from November 25, 2025, to December 16, 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:

- DNR Division of Oil and Gas / State Pipeline Coordinator Service
- DNR Division of Geological & Geophysical Surveys
- DNR Division of Parks and Outdoor Recreation / Office of History and Archaeology – State Historic Preservation Office
- DNR Division of Forestry
- Department of Administration, Division of Risk Management
- Department of Fish & Game
- Department of Transportation & Public Facilities
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- U.S. National Park Service

The following comments were received:

Comment: On December 16, 2025, The Alaska Department of Fish and Game responded with the following comments and Recommendations:

Habitat Section: The Habitat Section has reviewed the applications for the Designation of a Material Site with associated Material Sale Application within state-owned land along the Parks Highway, about 26 miles south of Cantwell. There appears to be two creeks within the boundaries of the work site, including Antimony Creek. Antimony Creek has been surveyed and salmon smolt and Dolly Varden have been found here. These streams are fed by the East Fork Chulitna River, a water body cataloged as anadromous. If the project includes withdrawing water, modifying banks, has in water work, or work at or below the ordinary high water line, the applicant may need a fish habitat permit. Please contact me if you or the applicant has any questions at (907)861-3203 or mandy.salminen@alaska.gov.

Access Defense: Access Defense does not have any concerns with the designation.

Sport Fish Access: No Comment

Sport Fish Management: No Comment

Division of Wildlife: No Comment

Response: DNR acknowledges the comment and, by publication of this decision document, informs DOT&PF and all future contract holders of ADF&G recommendations in addition to the stipulations created that were informed by ADF&G.

Comment: On December 8, 2025, The US Fish and Wildlife Service provided a comment with site-specific information and recommended Best Management Practices.

The USFWS comment provided information regarding the Bald and Golden Eagle Act (BGEPA) (16 U.S.C. 668 et seq.), which prohibits anyone without the proper permit from taking bald or golden eagles, their parts (including feathers), nests, or eggs. Federal regulations further define prohibited disturbance of bald or golden eagles. USFWS indicates the presence of golden eagle nests in the vicinity of the proposed material site; however, these data are not updated regularly, and the applicant is ultimately responsible for any violation of BGEPA.

USFWS provided Best Management Practices to reduce the chances of violating the BGEPA, minimize impacts to the Migratory Bird Treaty Act, and to minimize the potential spread of invasive species:

- If an eagle nest is discovered within one half-mile of the project footprint, please contact the Northern Alaska Fish and Wildlife Field Office at 907-456- 0203 for further assistance.
- Avoid flying helicopters in close proximity to eagle nests. A buffer of at least 1000' vertically or horizontally from an eagle nest will minimize disturbance and violating BGEPA.
- Avoid ground-disturbing activities during the bird nesting season when possible. Please see USFWS timing guidance table for Alaska at: <https://www.fws.gov/alaska-bird-nestingseason>. This is best achieved by scheduling any land-disturbing activities,

including vegetation removal, mowing and trimming, placing fill, blasting, etc., outside of the peak bird breeding season for the mine site. For more information on the breeding season and timing guidance, please go to: <https://www.fws.gov/media/timing-recommendations-landdisturbance-vegetation-clearingpdf>.

- Minimize human presence and activity near nesting birds during construction and maintenance activities.
- Prior to removal of an inactive nest (i.e., a nest with no eggs or chicks), ensure the nest is not protected under the Endangered Species Act (ESA) or BGEPA as these nests cannot be removed without a valid permit.
- Do not collect birds (live or dead), their parts (e.g., feathers), or nests without a valid permit. Contact amal_ajmi@fws.gov or visit www.fws.gov/program/migratory-bird-permit/permit-types-and-forms for more information on permits.
- If birds are accidentally taken during project activities, contact amal_ajmi@fws.gov. If non-game migratory birds are intentionally taken, please report the incident to the local USFWS Office of Law Enforcement (<https://www.fws.gov/law-enforcement/special-agent-charge-anchorage-alaska>).
- Install anti-perching devices on facilities and equipment where birds may commonly nest or perch.
- Swallows and peregrine falcons may nest on exposed rock faces or sand or gravel stockpiles. Make these sites less suitable for nesting before the nesting season if swallows and peregrine falcons occur in the area. To discourage nesting on rock faces, consider covering ledges and overhangs to prevent falcons and other bird species from nesting on ledges, and swallows from nesting under overhangs. Remove any vertical faces and slope all sides of the stockpile to discourage swallows from building cavity nests in stockpiles. Surveys for nesting falcons and swallows at these locations if work is scheduled during the nesting season can be useful to help avoid impacts. If birds are found nesting on rock faces or in sand or gravel stockpiles, contact amal_ajmi@fws.gov for technical assistance.
- Consider contacting the plant materials center (AK Department of Natural Resources, division of agriculture) for information on their weed free certification program (<https://plants.alaska.gov/invasives/weed-free-gravel.htm>). A person who is certified through this program can assist in establishing measures to certify a gravel pit at the initial development.
- Include measures to prevent the introduction and spread of invasive species:
 - Equipment should arrive and leave the project clean without visible soil clumps, plant, or animal material to reduce invasive species spread.
 - Use a pressure washer paying special attention to areas that are likely to catch vegetation or seeds.
 - Equipment washing should occur at the same location during project operations; this site should then be surveyed regularly and treated as necessary. Do not clean equipment in or near waterways as it may promote the spread of invasive plant species downstream.

Additionally, USFWS indicated that there are multiple eBird trumpeter swan observations in the vicinity of the project area, stating that Trumpeter swans are one of the earlier migrants to Alaska and have one of the longest breeding seasons, which can range from mid-April to mid-October. Trumpeter swans can be sensitive to human disturbance and may abandon nesting attempts especially in the early incubation period.

Response: DNR acknowledges the comment and, by publication of this decision document, informs DOT&PF and all future contract holders of USFWS recommendations in addition to the stipulations created that were informed by USFWS. DMLW will consult with USFWS and ADF&G to determine proper measures to mitigate impacts to trumpeter swan nesting prior to contract issuance.

Comment: On December 31, 2025, The Alaska Office of History and Archaeology (OHA) responded with the following comments and Recommendations:

The material site location, which has the potential to contain archaeological deposits, has not been fully inventoried for cultural resources. Therefore, we recommend hiring a qualified cultural resource professional to further evaluate the undisturbed portions of the APE, which may include pedestrian survey, and provide recommendations to avoid, minimize — or if necessary, mitigate — the effect of the project on potential historic properties not previously identified.

Should inadvertent discoveries of resources occur at this location, work must halt, and our office must be notified that we may evaluate whether the resource(s) should be preserved in the public interest (AS 41.35.070[d]). Please do not disturb said resources; any collection of artifacts, vertebrate fossils (including mammoth and mastodon bones and tusks), etc., is strictly prohibited.

Response: DNR acknowledges the comment and, by publication of this decision document, directs DOT&PF and all future contract holders of OHA recommendations in addition to the stipulations created that were informed by OHA.

Public Notice

Pursuant to AS 38.05.945, this PD will be advertised for a 30-day public comment period, starting on June 30, 2026. In addition, the Talkeetna, Cantwell and Trapper Creek post offices 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, the Doyon Limited Native Corporation is a regional corporation entitled to receive notice under AS 38.05.945(c), and may hold a hearing within 30 days after the receipt of the notice.

Nearby landowners, those with authorizations, and the public are 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

ADL 234751 Material Site Designation Preliminary Decision
ADL 224966 Material Sale, DOT&PF

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 July 30, 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
Southcentral Regional Office
ATTN: Leiana Cox
550 West 7th Ave
Anchorage, Alaska 99501
Email: Leiana.cox@alaska.gov
Fax: (907) 269-8913

Questions about this project can be directed to Leiana Cox at (907) 269-5047.

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. If a survey is required, the applicant for ADL 224966 will be responsible for the costs of the 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 \$3.00 per cubic yard.

Performance Guaranty

Performance bonds are required at the discretion of the director per 11 AAC 71.095(a). As DOT&PF is a state agency that is self-insured and bonded, no performance guarantee or insurance will be required.

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. As DOT&PF is a state agency that is self-insured and bonded, no performance guarantee or insurance will be required.

Discussion

DOT&PF has requested that DMLW designate material site ADL 234751 and issue a contract authorizing extraction and purchase of 600,000 cubic yards of sand and gravel beginning summer of 2026 through summer of 2031 under ADL 224966. The maximum contract length is five years, therefore a contract for 2026 through 2030 would be issued following designation. The reason for requesting materials from this material site is for the maintenance and construction of public roads with the proposed material site area being adjacent to the Antimony Creek Maintenance Station managed by DOT&PF. The applicant proposes to plan and construct an access road into the site.

Following the agency review period, it was determined that designating the proposed location as a material site must be done in such a way that avoids or minimizes changes in the quality and quantity of fish and wildlife habitat. Such being the case, the agency review comments received from ADF&G, USFWS and OHA have been included in this document to inform the applicant of their recommendations. These comments are provided not only for informational purposes, but to ensure the applicant's full consideration of, and adherence to, the agencies' recommendations as part of the project review and implementation process as well as informed DMLW of material site-specific stipulations which all future contracts must adhere to.

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 234751 as a material site for the long-term sale and extraction of materials until closed by 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, DMLW must also ensure that state land and natural resources be available for the maximum use consistent with the public interest. To that end, 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 234751 material site and subsequently issuing a 5-year contract to DOT&PF known as ADL 224966 for 600,000 cy of sand and gravel and subject to the conditions described in this document, operating requirements and standard contract terms. Under 11 AAC 05.130(e), the fee for the sale of materials to a federal, state, or municipal agency for use in constructing, reconstructing, or maintaining a public project is as follows: for the first 5,000 cubic yards of materials to be used on the project, no charge; each year of maintenance on an ongoing basis constitutes a separate project; for each cubic yard of materials beyond 5,000 cubic yards, the base fee listed in the annual base price schedule established under 11 AAC 71.090. 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. The use of this material site will assist with the maintenance and construction of public roads. Operations in the site will be consistent with the mining and reclamation guidelines developed by DOT&PF and approved by DNR.

Leiana Cox

Leiana Cox
Natural Resource Specialist 2

06/30/2026

Date

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.

Kate Dufault

Kate Dufault
Natural Resource Manager 2

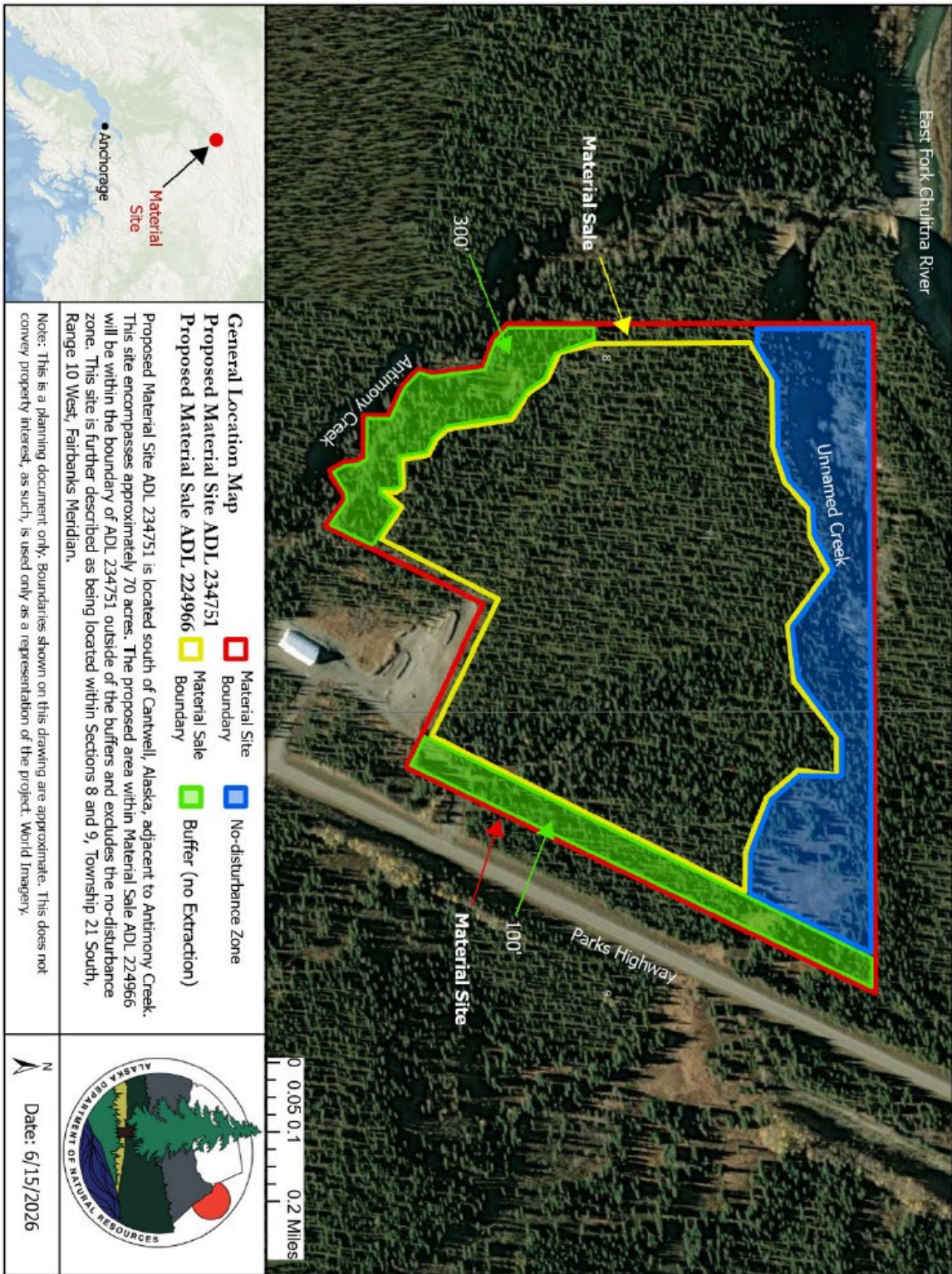
6/30/2026

Date

Attachments

- Attachment A – Site Maps
- Attachment B – Example Material Sale Contract, ADL 224966

Attachment A – Site Maps



ADL 234751 Material Site Designation Preliminary Decision
 ADL 224966 Material Sale, DOT&PF

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

- | | | |
|--|---|--|
| <input type="checkbox"/> Northern Region
3700 Airport Way
Fairbanks, AK 99709
(907) 451-2740 | <input type="checkbox"/> Southcentral Region
550 W 7th Ave., Suite 900C
Anchorage, AK 99501-3577
(907) 269-8552 | <input type="checkbox"/> Southeast Region
400 Willoughby, #400
Juneau, AK 99801
(907) 465-3400 |
|--|---|--|

**MATERIAL SALE CONTRACT
AS 38.05.550 – 38.05.565**

Issuance Date: _____, 202_ **Expiration Date:** December 31, 202_
ADL # 224966 **Federal Tax I.D.:**

Under Alaska Statutes (AS) 38.05.550-565 (Material Sales), other applicable statutes, and the regulations implementing these statutes, the State of Alaska, Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), the seller, whose address is 550 West 7th Ave., Suite 900C, Anchorage, AK 99501-3577, agrees to sell and the buyer, the Department of Transportation and Public Facilities whose address is 2301 Peger Road, Fairbanks, AK 99709 agrees to buy the material designated in this contract, subject to the provisions that follow:

1. Description: Location, Material, Quantity, and Price.

(a) The material sale area covered by this contract consists of approximately _____ acres. This area is designated by the boundaries shown on the attached sale area map, which is made a part of this contract:

Designated Material Site ADL 234751, DOT MS 35-4-045-2 located between MP 181 and 182, George Parks Highway within Sections 8 & 9, Township 21 South, Range 10 West, Fairbanks Meridian.

(b) The material to be removed and the price are:

<u>Type of Material</u>	<u>No. of Units</u>	<u>Unit Price</u>	<u>Total Price</u>
Sand & Gravel / Rock	600,000	See 4(k)(21)(i) below	

2. Payments and Deposits. No part of the materials sold under this contract may be extracted from the sale area by the buyer except in accordance with the following terms:

(a) The buyer shall remit an earnest money deposit in the amount of \$N/A (consistent with 11 AAC 71.045 or 11 AAC 71.065, and no less than \$250) along with the bid for a competitive sale contract or at the time a negotiated sale buyer signs this contract. The seller will retain the deposit to cover administrative costs incurred in offering the material sale, except that if the buyer removes and pays for at least 75% of the material volume covered by this contract, the deposit may be

Attachment B – Example Material Sale Contract, ADL 224966

applied, in whole or in part, to the final payment that becomes due under this contract.

(b) Additional periodic installment payments as required in paragraph 2(c) must be made for material extracted as of the date payment becomes due but may not exceed the total purchase price.

(c) Each periodic installment payment becomes due and payable on December 31 of each year of the contract term without prior notice to the buyer, for the value of material extracted during the reporting period. The installment must be based on records required in paragraph 3 of this contract and must be submitted to the seller no later than the fifth working day following the date the installment is due.

(d) A final accounting and payment for material removed, and a completion statement, must be submitted no later than 30 days following contract completion, or when the contractor has completed removal under the contract, or following termination of the contract by the seller or by operation of law. Whether completion is satisfactory will be decided by the Director of the Division of Mining, Land, and Water (DMLW) within 45 days after receiving the final accounting report and completion statement.

(e) If the buyer fails to make a payment provided for in this contract, the seller may, under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the seller only after the payments in arrears plus the penalty provided for in paragraph 2(f) have been paid.

(f) Late Payment Penalty: The greater of either the fee specified in 11 AAC 05.030 or interest at the rate set by AS 45.45.010(a) will be assessed on a past-due account until payment is received by the seller.

(g) All payments and deposits must be remitted to the DMLW and must be made payable to the State of Alaska.

(h) Special Provisions. The following special provisions also apply to payments and deposits under this contract:

(1) The buyer shall prepare an annual Accounting Voucher which becomes due on December 31 of each year that details the volume of material removed during the calendar year from January 1 through December 31. The Accounting Voucher must be based on the information collected in the daily extraction records. If the Accounting Voucher and payment due under paragraph 2(c) is not received by February 1 in the calendar year following the December 31 due date, the contract may be suspended. This voucher shall be filed regardless of whether material was removed during the reporting period.

(2) Should the administrative base price, representative regional sales price, or fair market value be changed during the term of this contract, the new price will be effective and apply to the material remaining to be extracted under this contract as of the effective date of the

price adjustment.

(3) Material extraction in excess of the contract amount may be considered taken in trespass and at the discretion of seller, charged to and paid for by the buyer at triple the contract unit price or up to three times the pecuniary gain realized by the buyer as a result of the trespass. Said trespass penalties are in additional to any other administrative or legal proceedings imposed by state law.

(4) Material extraction outside of an active contract term is considered taken in trespass and is to be charged to and paid for by the buyer at triple the unit contract price.

3. Method of Volume Determination.

(a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is:

(1) Based on a loose cubic yard quantity as determined by an "in-place" measurement multiplied by a factor of 1.3; or,

(2) Based on a loose cubic yard quantity as determined by a daily vehicle count designating type of vehicle and vehicle capacity; or

(3) Based on an industry standard method acceptable to the department.

(i) If the method of volume determination is based on a weight measurement of the extracted material, the buyer must provide to the seller the standard of density and conversion rate from weight to cubic yards.

(b) The buyer shall keep accurate and up-to-date records of all materials extracted. These records are subject to verification by check measure and inspection of the buyer's books by the seller at any time without notice.

(c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the seller, including a qualified engineer where the seller deems appropriate, with quantities certified by that person.

4. Operating Requirements.

(a) Boundary Lines and Survey Monuments. No boundary mark of the sale area or any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by a registered surveyor in a manner approved by the seller.

(b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, whether ameliorated or otherwise.

Attachment B – Example Material Sale Contract, ADL 224966

In addition to complying with all laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition and shall take all prudent precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

(c) Erosion Control and Protection of Waters. Road construction or operations in connection with this contract must be conducted so as to avoid damage to streams, lakes, or other waters and land adjacent to them. Vegetation and materials may not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance by the seller. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner acceptable to the seller. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the seller. Waters include waters defined in 5 AAC 95.011, Waters important to anadromous fish.

(d) Fire Prevention. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations, and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) Roads. Before constructing any main haul, secondary or spur road across state land, the buyer shall obtain written approval of the proposed location and construction standards of the road from the seller.

(f) Supervision. The buyer shall maintain adequate supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) Agents. The provisions of this contract apply with equal force upon an agent, employee, or contractor designated by the buyer to perform any of the operations relating to extraction of the materials sold under this contract. The buyer is liable for noncompliance caused by any such agent, employee, or contractor.

(h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract.

(i) Access. The seller makes no representations that it will construct or maintain access to the land. Access over any route not under the seller's control is the responsibility of the buyer. The buyer agrees that any permanent access or right-of-way obtained over privately-owned property will provide a permanent easement to the seller. No material of any type, including excavated material or vegetation, shall be placed, stockpiled, discarded, or otherwise disposed of in such a way as to block access to the material site.

(j) Mining Reclamation. This contract is subject to the attached approved reclamation plan and/or

Attachment B – Example Material Sale Contract, ADL 224966

attached letter of intent under AS 27.19.

(k) Special Provisions. The following special provisions also apply to operations under this contract:

(1) Waste. No waste shall be deposited or buried on the authorized site of this contract. Waste in this subparagraph means all discarded matter, including, but not limited to, construction material, fill, waste asphalt, human waste, trash, garbage, refuse, litter, oil drums, petroleum products, ashes, scrap steel or used culverts and discarded equipment. Stockpiled material and/or overburden shall not be placed in wetlands. After completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to the seller, and reclaimed in accordance with the approved reclamation plan.

(2) Extraction Area. This contract authorizes removal of material only from the area defined in this contract. All work will be confined within the site boundaries. The buyer is responsible for properly locating the material site and the working limits within the material sale area, as shown on the attached map.

(3) Site Development. Overburden and topsoil shall be stockpiled separately and must be placed in a stable location, protected from contamination by acidic or toxic materials, and in a manner which will prevent erosion and preclude runoff from contaminating adjacent waterways. Topsoil is not permitted to be removed from site unless written authorization is received from the seller.

(4) Water Quality. The buyer shall comply with the State of Alaska water quality standards pursuant to 18 AAC 70, including discharge standards when conducting material washing operations. Disposal of grey or black water waste into the ground surface or nearby water sources from any operation associated with this authorization is specifically prohibited.

(5) Other Authorizations. The issuance of this authorization does not alleviate the necessity of the buyer to obtain authorizations required by any municipal or local, state, or federal entity for this activity. Any asphalt processing, related activities, or associated structures will not be allowed without obtaining prior written authorization from DNR. Failure to obtain any necessary authorizations shall be considered a breach of the terms and conditions of this contract and may be cause for contract revocation or suspension.

(6) Alaska Historic Preservation Act. The buyer will consult the Alaska Heritage Resources Survey (907) 269-8721 so that known historic, archaeological and paleontological sites may be avoided. 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 written approval from the DNR Commissioner. Should any sites be discovered, the buyer shall cease any activities that may cause damage and immediately contact the seller and the Office of History and Archaeology in the Division of Parks and Recreation.

(7) Equipment or Vehicle Maintenance. Equipment or vehicle maintenance will be

Attachment B – Example Material Sale Contract, ADL 224966

performed over an effective impermeable barrier.

(8) Fuel, Hazardous Substances, and Explosives. No fuel, hazardous substances, or explosives are to be stored on the subject parcel without a Land Use Permit or other written approval by the seller. All petroleum, oil and lubricants (POL) (e.g., motor oil and fuel) will be stored in double walled tanks or a lined bermed area designed to contain at least 110 percent of the total amount of POL stored. The use and storage of hazardous substances and explosive material by the contractor must be in accordance with existing federal, state, and local laws, regulations and ordinances. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous waste and must be removed from the site and managed and disposed of in accordance with state and federal law. Sorbent material in sufficient quantity to handle operational spills must be on site at all times for use in the event of a spill. Oil and fuel spills shall be cleaned up immediately and contaminated ice, snow or earth material shall be disposed of as required by the Alaska Department of Environmental Conservation (DEC) regulations.

(9) Notification of Discharge. The grantee shall immediately notify the Department of Environmental Conservation (DEC) and AO by phone of any unauthorized discharge of oil to water, any discharge of hazardous substances (other than oil), and any discharge of oil greater than 55 gallons on land. All fires and explosions must also be reported immediately.

If a discharge, including a cumulative discharge, of oil is greater than 10 gallons but less than 55 gallons, or a discharge of oil greater than 55 gallons is made to an impermeable secondary containment area, the grantee shall report the discharge within 48 hours. Any discharge of oil greater than one gallon up to 10 gallons, including a cumulative discharge, solely to land, must be reported in writing on a monthly basis.

Notification of discharge during normal business hours must be made to the nearest DEC Area Response Team: Anchorage (907) 269-7500, fax (907) 269-7687; Fairbanks (907) 451-2121, fax (907) 451-2362; Juneau (907) 465-5340, fax (907) 465-5245. For discharges in state off shore waters call (907) 269-0667. The DEC oil spill report number outside normal business hours is (800) 478-9300.

Notification of discharge must be made to the appropriate DNR Office: Anchorage (907) 269-8503, fax (907) 269-8913; Fairbanks (907) 451-2678, fax (907) 451-2751, email dnr.nro.spill@alaska.gov; Juneau (907) 465-3400, fax (907) 465-3886. The grantee shall supply the AO with all incident reports.

(10) Mining and Reclamation. Mining shall be done in accordance with the DNR approved Mining and Reclamation plan (M&R plan). Upon completion, expiration, or termination of the contract, the site will be left in a condition that is acceptable to DMLW and reclaimed in accordance with the approved M&R plan. Reclamation shall be to the standards of DMLW and shall include repair of access roads to and within the site, disposal of remaining stockpiles, other procedures that will be used to stabilize and reclaim the area and any other site-specific measures that may be necessary. The buyer shall leave all slopes in a safe and stable condition at the end of each season.

Attachment B – Example Material Sale Contract, ADL 224966

(11) SWPPP and APDES. The buyer shall comply with the requirement of DEC's Alaska Pollutant Discharge Elimination System (APDES), and if applicable, to maintain and operate the site in accordance with an approved Storm Water Pollution Prevention Plan (SWPPP).

(12) Invasive Species. The buyer shall implement best management practices for minimizing the introduction and proliferation of invasive plant species, including thoroughly washing equipment prior to use on the material site. This is particularly important for work at material sites adjacent to rivers, where introduced species can be transported downstream and spread throughout areas that would not otherwise be exposed to invasive species.

(13) Coordination. The buyer shall coordinate all operations with other users in the site, which may include the Department of Transportation and Public Facilities (DOTPF) or other contractors. Coordination shall take place prior to and during mobilization to ensure access and safety is maintained for all users. If necessary to support the continuation of public or private projects, DNR may provide additional guidance or limitations related to the location and/or timing of extraction activities during the construction season.

(14) Stockpiles. The buyer shall not disturb or remove material from existing stockpiles. Any material extracted by the buyer must be mined according to the approved mining and reclamation plan. The buyer shall not disturb or remove material from existing stockpiles unless the buyer is the owner of the stockpile. Buyer is not authorized to stockpile material in the material site beyond the active term of the contract. A permit or other written approval is required to stockpile material after the term of the contract. Prior to granting final approval for storage of the stockpile, the seller will require payment in full for the stockpiled material. The seller may also charge a storage fee for the stockpiled material. Unless authorized in writing by the seller, stockpiles will be regraded and reclaimed upon contract completion. Any stockpiles left in the pit outside the contract term by the buyer are the property of the seller unless the buyer receives prior written approval from the seller and, upon approval, purchases the material.

(15) Equipment Storage. The buyer shall remove all machinery, equipment, and other items at the end of each construction season. Prior written approval from the seller is required for a change in this restriction.

(16) Completion Report. A final accounting and payment for material removed and a completion report must be submitted no later than 30 days following contract completion, or following termination of the contract by the seller or by operation of law. The completion report shall include a series of ground level photographs taken before, during, and after the extraction along with a statement confirming:

- (i) compliance with stipulations requiring the removal of personal property, restoration of the extraction area to a clean condition, and reclamation.

Attachment B – Example Material Sale Contract, ADL 224966

- (ii) accuracy of the photographs accompanying the report as depicting the site before extraction, during operations, and after completion and reclamation at the end of each contract period.

Failure to submit a satisfactory report and/or required photographs subjects the site to a field inspection requirement for which the buyer may be assessed, at the Director's discretion, either the actual cost incurred by the Division of Mining, Land, and Water, or a minimum of \$500.00. (11 AAC 05.130). Reimbursement for costs for the field inspection under this section may be taken from the performance guaranty.

(17) Contract. The buyer or their agent shall carry a copy of the executed contract while operating in the material site. No material will be removed without the issued contract on site.

(18) Insurance. The buyer shall secure or purchase at its own expense, and maintain in force at all times during the term of this contract, liability coverage and limits consistent with what is professionally recommended as adequate to protect the buyer (the insured) and seller (the State, its officers, agents and employees) from the liability exposures of ALL the insured's operations on state land. Certificates of Insurance must be furnished to the seller prior to issuance of this contract and must provide for a 60-day prior notice to the State before they cancel, not renew or make material changes to conditions to the policy. Failure to furnish satisfactory evidence of insurance, or lapse of the policy, are material breaches of this contract and shall be grounds, at the option of the State, for termination of the permit. All insurance policies shall comply with, and be issued by, insurers licensed to transact the business of insurance under Alaska Statute, Title 21. The policy shall be written on an "occurrence" form and shall not be written as a "claims-made" form unless specifically reviewed and agreed to by the Division of Risk Management, Department of Administration. The State must be named as an additional named insured on the policy with respect to the operations of the buyer on or in conjunction with the permitted premises, referred to as the above ADL number.

(19) Reclamation Bond. The buyer shall remit a reclamation bond in the amount of \$N/A (consistent with AS 27.19 and 11 AAC 97) to ensure performance of the reclamation plan requirements. The buyer's Material Site Reclamation Letter of Intent, submitted with their application, is attached to and made a part of this contract. The reclamation bond may be released upon the Division of Mining, Land and Water's approval of the reclamation. A buyer may be exempt from the reclamation bond requirement because either the buyer (1) has filed a Letter of Intent, or (2) is an agency of the State of Alaska, the federal government, or a municipality.

(20) Notice. Notice referred to in paragraph 17 of this contract may also be accomplished via email between authorized representatives of buyer and seller. Buyer shall maintain a current, valid, mailing address and email on file with the seller at all times.

The buyer shall notify the seller when a contractor or subcontractor has been selected to

perform work in the material site on behalf of the buyer. The notice must include the name and contact information for the contractor or subcontractor, the project name or number, the expected time period for the contractor or subcontractor to be working in the material site, and the estimated volume of material to be extracted by the contractor or subcontractor.

(21) Project Specific Operating Requirements.

- i) Under 11 AAC 05.130(e), The fee for the sale of materials to a federal, state, or municipal agency for use in constructing, reconstructing, or maintaining a public project is as follows: for the first 5,000 cubic yards of materials to be used on the project, no charge; each year of maintenance on an ongoing basis constitutes a separate project; for each cubic yard of materials beyond 5,000 cubic yards, the base fee listed in the annual base price schedule established under 11 AAC 71.090.

Under AS 38.05.872(b), The commissioner may convey materials at less than fair market value to municipalities, other state and federal agencies, or other entities, and make other arrangements for land and materials as mitigation of a flooding area where excess material deposition significantly contributes to the flooding, consistent with a site-specific flood mitigation plan approved by the commissioner and determined to be in the best interests of the public. Materials extracted under this site-specific flood mitigation plan will be free of charge.

ii) _____

5. Indemnity of Seller and Bonding. Not Applicable

(a) The buyer shall indemnify and hold the seller harmless from:

- (1) all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or the buyer's successors, or at the buyer's invitation; and
- (2) any accident or fire on the land; and
- (3) any nuisance on the land; and
- (4) any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and
- (5) any assignment, sublease, or conveyance, attempted or successful, by the buyer that is contrary to the provisions of this contract.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at the buyer's sole risk, and will hold the seller harmless from any claim of loss or damage to them by any cause.

Attachment B – Example Material Sale Contract, ADL 224966

(b) At the seller's discretion, a buyer may be required to file a bond consistent with 11 AAC 71.095, designed to ensure the buyer's performance and to help protect the seller against any liability that may arise as a result of the activities of the buyer. If required, a bond acceptable to the seller in the amount of \$N/A must be filed with the seller at the time of execution of this contract to ensure the buyer's performance and financial responsibility.

6. Improvements and Occupancy.

(a) Any reasonable and necessary improvement or facilities, including crushers, mixing plants, buildings, bridges, roads, etc., constructed by the buyer in connection with this sale and placed within the sale area must be in accordance with plans approved in writing by the seller.

(b) The buyer must, within 60 days after contract completion or termination of the contract by the seller or by operation of law, remove the buyer's equipment and other personal property from the sale area. After removal, the buyer must leave the land in a safe and clean condition that is acceptable to the seller. If the buyer can demonstrate undue hardship, the time for removal of the improvements under this paragraph may be extended at the seller's discretion.

(c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the seller, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the seller. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the seller. If there are no other bidders at the sale, the seller may bid on the property, and the seller will acquire all rights, both legal and equitable, that any other purchaser could acquire through a sale and purchase.

(d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the seller, is not removed within the time allowed, title to that property automatically vests in the seller.

(e) Special provisions. Special provisions applicable to improvements and occupancy under this contract are listed in paragraph 4 of this contract.

7. Inspection.

(a) The seller must be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's contractors, and any sub-contractors relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the seller in regard to performance under this contract, and to take appropriate action as is required by this contract.

8. Termination and Suspension.

Attachment B – Example Material Sale Contract, ADL 224966

(a) The seller may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach and an opportunity to be heard.

(b) If the buyer fails to comply with any of the provisions of this contract, the seller may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the seller in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the seller may terminate the contract under paragraph 8(a) of this contract. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the seller to prevent danger or additional damage. Any cost incurred by the seller as a result of this corrective action, or by the buyer's failure to take corrective action, must be paid by the buyer.

(c) This contract may also be terminated by mutual agreement of both parties on terms agreed to in writing by both parties.

9. Reservations. The seller reserves the right to permit other compatible uses, including the sale of materials, on the land in the sale area if the seller determines that those uses will not unduly impair the buyer's operations under this contract. Under AS 38.05.125 the seller further expressly reserves to itself, and its successors, forever,

(a) all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every kind, that may be in or upon the land described above, or any part of it;

(b) the right to explore the land for oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils;

(c) the right to enter by itself or its agents, attorneys, and servants on the land, or any part of it, at any time for the purpose of opening, developing, drilling, and working mines or wells on this or other land and taking out and removing from it all oil, gas, coal, ores, minerals, fissionable materials, geothermal resources, and fossils;

(d) the right by itself or its agents, attorneys, and servants at any time (1) to construct, maintain, and use all buildings, machinery, roads, pipelines, powerlines, and railroads; (2) to sink shafts, drill wells, and remove soil; and (3) to occupy as much of the land as may be necessary or convenient for these purposes; and

(e) generally all rights to and control of the land, that are reasonably necessary or convenient to make beneficial and efficient the complete enjoyment of the property and rights that are expressly reserved.

10. Inclusion of Applicable Laws and Regulations. The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.550 - 38.05.565, AS 38.05.810, AS 38.05.872, material sale

Attachment B – Example Material Sale Contract, ADL 224966

regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regard.

11. Assignment. This contract may not be assigned by the buyer without the seller's prior written consent to the assignment.

12. Permits. Any permits necessary for operations under this contract must be obtained by the buyer before commencing those operations.

13. Passage of Title. All right, title and interest in or to any material included in the contract shall remain in the State until it has been paid for; provided, however, that the right, title and interest in or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the seller.

14. Expiration and Extension. This contract expires on the date stated at the top of the contract unless an extension is granted by the seller in accordance with 11 AAC 71.210.

15. Warranties. This sale is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be extracted from the area under contract.

16. Valid Existing Rights. This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

17. Notices. All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address, and notify the seller promptly of any change in address:

To the Seller:
Alaska Department of Natural Resources Division of Mining, Land and Water
550 West 7th Avenue, Suite 900C
Anchorage, Alaska 99501-3576

To the Buyer:
Department of Transportation and Public Facilities
2301 Peger Road
Fairbanks, Alaska 99709

18. Integration and Modification. This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties.

Attachment B – Example Material Sale Contract, ADL 224966

This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties, and notarized is of no legal effect.

19. Severability of Clauses of Sale Contract. If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

20. Construction. Words in the singular number include the plural, and words in the plural number include the singular.

21. Headings. The headings of the numbered paragraphs in this contract shall not be considered in construing any provision of this contract.

22. "Extracted," "Extraction". In this contract, use of the terms "extracted" and "extraction" encompasses the severance or removal, as well as extraction, by the buyer of any materials covered by this contract.

23. Waiver. No agent, representative or employee of the seller has authority to waive any provision of this contract unless expressly authorized to do so in writing by the director of the Division of Mining, Land and Water.

