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

Southcentral Regional Land Office

**Preliminary Decision**
**ADL 234888**
**Elevated Consulting Services LLC**
Application for Lease
AS 38.05.070(b)

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 **11:59 pm December 23, 2026**. Please see the Public Notice section of this decision for requirements related to submitting comments for consideration.

**Requested Action**

Elevated Consulting Services LLC (ECS) submitted an application to the Department of Natural Resources (DNR), Division of Mining, Land & Water (DMLW), Southcentral Regional Land Office (SCRO) to lease 1 acre of land for client lodging, remote work activities related to securing future visits to the site, and business-related meetings/retreats associated with Elevated Consulting Services LLC operations situated 63 miles southwest of Trapper Creek, upland of an unnamed lake, in the Kichatna River Drainage, Alaska. The site is located within the N1/2 of Section 26, Township 24 North, Range 16 West, Seward Meridian. The applicant requested a 10-year, short-term non-competitive land lease. A map showing the proposed location is included as Figure 1.

**Requested Improvements:**

Cabin – 12 feet x 12 feet, 144 square feet, stick-built cabin used for lodging and shelter. Although previously existing, the cabin foundation needed to be reset, which required the cabin to be broken down and stored but is planned to be assembled again in the future.

**Existing Improvements:**

Cabin – 12 feet x 12 feet, 144 square feet, log cabin used for lodging and shelter.
Storage Shed – 12 feet x 12 feet, 144 square feet, structure used for storage of equipment, supplies, and maintenance materials.
Outhouse – 3 feet x 3 feet, 9 square feet, privy structure used for sanitation.

**Proposed Action**
DMLW proposes to issue a 10-year, short-term, non-competitive land lease to the applicant for the operation, and maintenance of lodging facilities in support of their business.

**Background**
ECS currently holds a permit with DMLW, serialized under LAS 35772, for the use and operation of their lodging facilities in support of their business. The site was first authorized by DMLW under LAS 31071 effective January 1, 2016, and reissued January 1, 2021, to another party for year-round commercial recreation camp in support of big game guiding which officially closed on July 13, 2023. The site was then authorized under LAS 34424 to Hatcher Pass RV and backdated to July 24, 2020, and reissued July 24, 2025. In December of 2025, DMLW received an application from ECS to utilize the same site and structures. DMLW received written permission from the authorization holder for Elevated Consulting Services LLC to utilize the site. In April of 2026, Hatcher Pass RV closed their permit, making ECS the only entity permitted at the site.

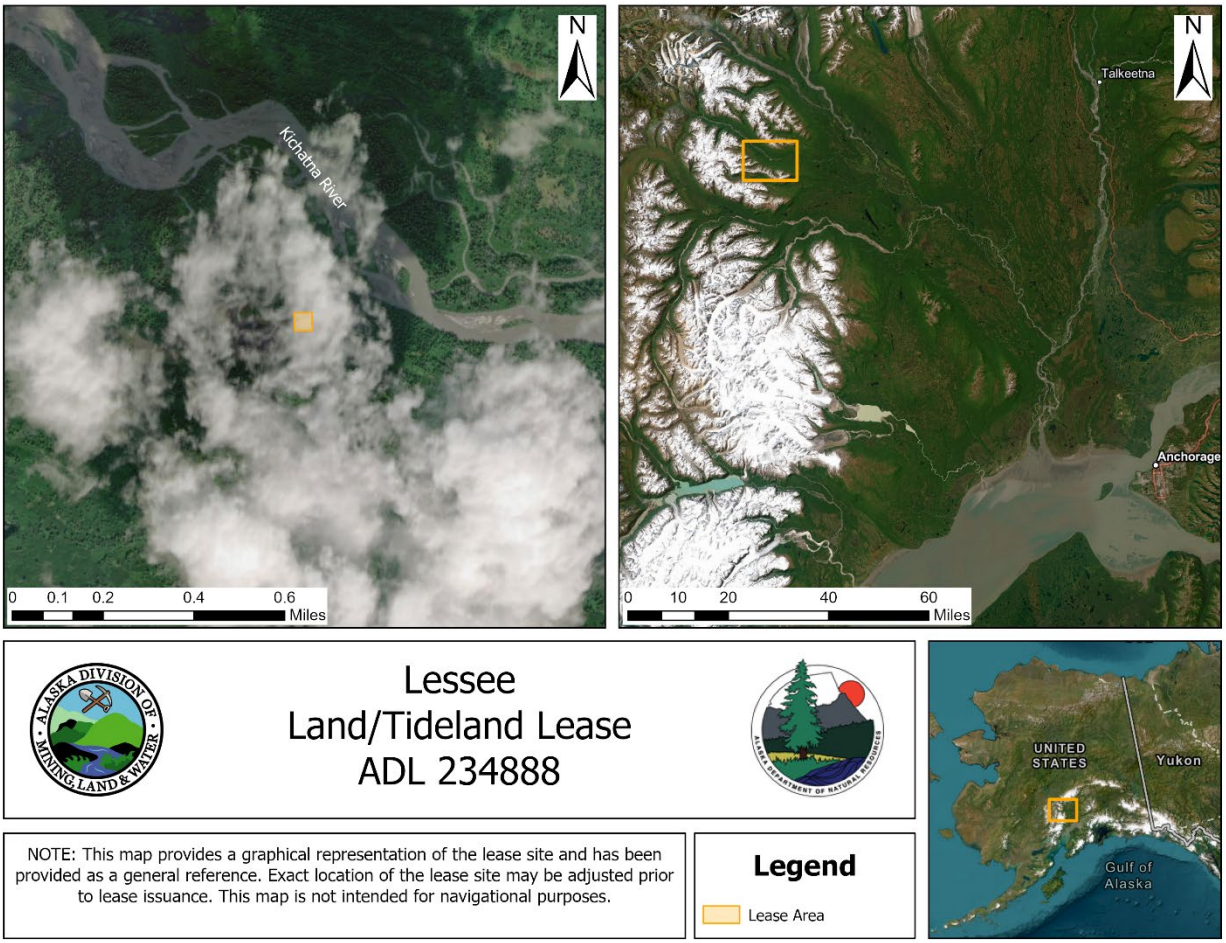
**Scope of Decision**
The scope of this decision is to determine if it is in the State's best interest to issue a lease for the requested activity. The administrative review for this authorization is defined by AS 38.05.035(e)(1)–(2) and limited to (1) reasonably foreseeable, significant effects of the uses to be authorized; (2) applicable statutes and regulations; (3) the facts pertaining to the land or resources; and (4) any issues that are material to the determination.

**Authority**
This lease application is being adjudicated pursuant to AS 38.05.035(e) Powers and Duties of the Director and AS 38.05.070 Generally.

The authority to execute the PD, Final Finding and Decision (FFD), and the lease has been delegated to the Regional Managers of DMLW under AS 38.05.035(b)(1).

**Administrative Record**
The administrative record for the proposed action consists of the Constitution of the State of Alaska, the Alaska Land Act as amended, applicable statutes and regulations referenced herein, the 2011 Susitna Matanuska Area Plan and other classification references described herein, and the casefile for the application serialized by DNR as ADL 234888.

Figure 1: Overview Map of Project Area




**Legal Description, Location, and Geographical Features**

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

- **Geographical location:** Located 63 miles southwest of Trapper Creek, upland of an unnamed lake, in the Kichatna River Drainage, Alaska.
- **Approximate Lat/Long:** 62° 8.5063' N, 152° 9.3952' W
- **Area geographical features:** Mature birch and spruce trees, alder stands, blueberry bushes, and native ground cover typical of the region.
- **Legal description:** A portion of Lot 2 protracted Section 26, Township 24 North, Range 16 West, Seward Meridian, Alaska, according to the plat accepted by the United States Department of the Interior, Bureau of Land Management in Anchorage, Alaska on May 28, 1996, containing approximately 1 acre, more or less.
- **Recording district:** Talkeetna

- **Municipality/Borough:** Matanuska-Susitna Borough
- **Native Corporations/Federally Recognized Tribes:** Cook Inlet Region, Inc. (CIRI)
- **Size:** 1 acre, more or less

**Title**
SCRO requested a title report from DMLW's Realty Services Section on August 24, 2026, which has not been received at the time of this decision. Should the title report note any major changes, they will be addressed in the FFD.

**Third Party Interests**
No encumbrances or third-party interests exist that would prevent the issuance of the lease.

**Planning and Classification**
The project area is subject to the Susitna Matanuska Area Plan, Alaska Range Region, Management Unit R-02 (map number 3-8). The classification for the proposed lease is Wildlife Habitat Land and Public Recreation Land. The management intent for this unit is to protect its habitat, hydrologic, and recreational values. Retain land in state ownership. Protect trails, easements and RS 2477 routes, which include the INHTS and the Iditarod Race Trail. The unit comprises the larger river drainages within the Alaskan Range Region, including the Kichatna River. These rivers often occupy extensive floodplains, and the unit includes the riparian areas adjacent to the rivers proper. Most streams are anadromous and several contain moose habitat areas in addition to a fall concentration of waterfowl occurs along portions of the Kichatna River. Brown bear spring use and moose wintering areas occur throughout the unit (3-92). Fly-in access in the Alaska Range Region is often hampered by local weather conditions (3-89).

<u>Fish and Wildlife Habitat</u>
Land classified as Fish and Wildlife Habitat should be managed to avoid or minimize changes in the quality and quantity of fish and wildlife habitat due to the significant number Fish and Wildlife Habitats in the region which include the following:

- Anadromous fish spawning, rearing, and overwintering migration areas.
- American peregrine falcon and trumpeter swan nesting and molting concentrations.
- Waterfowl nesting and molting areas.
- Fish streams frequented by bears (including concentrations by season).
- Moose wintering and calving areas.
- Caribou wintering and calving areas.
- Dall sheep wintering and lambing areas.
- Important wildlife migration corridors.

DNR, in its consideration of resources and in the management of state land, shall consider the impacts of such use upon fish and wildlife, habitat and soil degradation, and upon other forms of use that may occupy the area that is under consideration in an authorization. Uses that are not compatible with these uses and resources are to be made compatible through the use of stipulations. (2-19). ADF&G, Habitat section and Access Defense section have reviewed the proposed project provided recommendations which will be given to the applicant. The infrastructure is pre-existent and is relatively minimal and therefore does not have a significant impact on the surrounding habitat and does not need further stipulations.

Recreation and Scenic Resources

Lands will be provided for accessible outdoor recreational opportunities with well-designed and conveniently located recreational facilities. In addition, undeveloped lands should be provided for recreation pursuits that do not require developed facilities (2-30). These opportunities shall be realized by encouraging commercial development of recreational facilities and services through concession contracts, land sales, leases, and permits where public recreation needs can most effectively be provided by private enterprise, while minimizing environmental impacts and conflicts with the existing users of an area; protection of recreation resources including public access, visual resources, fish and wildlife important for recreation, and, where appropriate, the isolation and unique wilderness characteristics of the planning area; management of recreation to avoid or minimize user conflict, provide for a quality experience for all user groups, and protect the natural values and attributes of the area within which the recreation occurs; and, protection of ecosystems and habitat from damage caused by inappropriate recreation use (2-30).

Shorelands and Stream Corridors

According to the ADF&G Habitat Section comment, the Kitchatna River watershed has many streams that are catalogued as anadromous and the Kitchatna River provides habitat for chinook, coho, sockeye and chum salmon. This section of the area plan lays out the recommended riparian buffers along shorelands and streams. The Kitchatna River as well as the unnamed stream that runs to the lake that the site is adjacent to, are more than 300 feet from the buildings, and therefore should not require buffers. For building setbacks: 150-200 feet adjacent to anadromous and high value waterbodies and 75-15- feet adjacent to all other waterbodies (2-47). The use of a building setback is usually not required if a ‘riparian buffer’ is being imposed in an authorization (2-44). The buildings are around 250 feet from the lake, and feel the requirements set by Chapter 2 of the SMAP, Shorelands and Stream Corridors, are therefore satisfied. The proposed lease will be subject to a 50-foot public access easement seaward and landward of the line of mean high water. ADF&G has also provided information as to the activities that would require permitting which will be given to the applicant through the issuance of this document.

As the infrastructure is existing, and the proper measures have been taken to ensure the protection of wildlife and habitat lands, and the land is additionally classified as public recreation land, the proposed use is therefore in accordance with 11 AAC 55.040(c).

**Traditional Use Finding**
The proposed site is located within the Matanuska-Susitna Borough. Pursuant to AS 38.05.830 a traditional use finding is not required. Additional traditional uses may be identified during the public notice period. If further traditional uses become known, they will be discussed in the final finding and decision.

**Access**
Practical and legal access to the proposed leasehold is by aircraft and snowmachine. During winter months, access occurs by snowmachine and ski-equipped aircraft. During summer months, access occurs by floatplane. No roads exist to the site.

**Access Along Navigable and Public Waters**
The site is located adjacent to an unnamed lake and the Kichatna River.

Pursuant to AS 38.05.126(a), the public has a constitutional right to free access to, and use of, navigable or public waters of the State of Alaska. Under 11 AAC 51.045 and AS 38.05.127, DMLW is required to reserve specific public-access easements to and along these waters. Unless comments and other information submitted to DMLW provide justifiable and convincing evidence to do otherwise, the proposed lease will be subject to a 50-foot public access easement seaward and landward of the line of mean high water. This easement must be depicted on any required survey.

**Public Trust Doctrine**
Pursuant to AS 38.05.126, all authorizations for this site 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.

**Reservation of Mineral Estate**
In accordance with section 6(i) of the Alaska Statehood Act and AS 38.05.125, the state, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing and producing the reserved mineral resources. Exploration

and development, if any, which could occur, would be consistent with AS 38.05.130 and other applicable statutes and regulations.

**Mineral Orders**
Mineral entry within the proposed leasehold is not currently restricted. It is not necessary to restrict entry to leasehold locations only or to close the area to mineral entry.

**Hazardous Materials and Potential Contaminants**
Hazardous materials, specifically fuel, power generators, human waste, trash, gray water, will be stored within the proposed leasehold. Stipulations will be included in the lease to ensure proper handling and storage.

The use and storage of all hazardous substances must be done in accordance with existing federal, state, and local laws. Debris (such as soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous substance, and must be removed from the leasehold and disposed of in accordance with state and federal law.

**Agency Review**
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. An agency review was conducted on August 13, 2026**.** The deadline for agency comments was September 2, 2026.

The following agencies were included in the review:

- DNR Division of Agriculture
- DNR Division of Forestry & Fire Protection
- DNR Division of Geological & Geophysical Surveys
- DNR Division of Oil and Gas / State Pipeline Coordinator Service
- DNR Division of Parks and Outdoor Recreation / Office of History and Archaeology – State Historic Preservation Office
- Department of Commerce, Community and Economic Development
- Department of Environmental Conservation
- Department of Fish & Game
- Department of Transportation & Public Facilities
- U.S. Army Corps of Engineers
- U.S. Bureau of Land Management
- U.S. Coast Guard
- U.S. Environmental Protection Agency
- U.S. Fish and Wildlife Service

- U.S. Forest Service
- U.S. National Park Service
- U.S. National Oceanic and Atmospheric Administration - National Marine Fisheries Service
- Upper Susitna Soil and Water Conservation District
- Wasilla Soil and Water Conservation District
- Matanuska-Susitna Borough

**Comment:** On August 14, 2026, The US Army Corps of Engineers (USACE) responded with the following comments and recommendations:

Department of the Army authorization is required if anyone proposes to place dredged and/or fill material into waters of the U.S., including wetlands and/or perform work in navigable waters of the U.S.

A copy of the DA permit application can be found online at www.poa.usace.army.mil/Missions/Regulatory.
Sample drawings can also be found on our website at www.poa.usace.army.mil/Portals/34/docs/regulatory/guidetodrawings2012.pdf.

Section 404 of the Clean Water Act requires that a DA permit be obtained for the placement or discharge of dredged and/or fill material into waters of the U.S., including jurisdictional wetlands (33 U.S.C. 1344). The Corps defines wetlands as those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

Section 10 of the Rivers and Harbors Act of 1899 requires that a DA permit be obtained for structures or work in or affecting navigable waters of the U.S. (33 U.S.C. 403). Section 10 waters are those waters subject to the ebb and flow of the tide shoreward to the mean high-water mark, and/or other waters identified by the Alaska District. Aquaculture structures and work would require Section 10 Authorization.

You are welcome to submit a preapplication meeting request, a jurisdictional determination request, or a permit application directly to our general mailbox (regpagemaster@usace.army.mil) and you will be assigned a project manager to assist you. Please feel free to contact our main line if you have any questions or concerns at 907-753-2712.

**Response:** DMLW acknowledges the USACE-provided recommendations and through issuance of this decision document, informs ECS that they shall adhere to the recommendations provided.

**Comment:** On August 17, 2026, The Department of Environmental Conservation (DEC) responded with the following comments and recommendations:

Based on the information provided, the Alaska Department of Environmental Conservation (DEC), Contaminated Sites Program (CSP) has no comments related to this proposed project. If the scope of the project changes, update your research and contact CSP as needed. Please note that residual contamination may remain at cleanup completed sites, and those sites should also be evaluated.

DEC must be notified if contamination is encountered. For more information about spill responses contact the appropriate regional response team office: https://dec.alaska.gov/spar/ppr/spill-information/reporting/.

Spills or releases to soil and water are also managed by the DEC Prevention Preparedness and Response Program (PPRP) and are not captured in the CSP database or map. Information about spills can be found in the PPRP SPILLS database at: https://dec.alaska.gov/Applications/SPAR/PublicMVC/PERP/SpillSearch.

**Response:** DMLW acknowledges the DEC-provided recommendations and through issuance of this decision document, informs ECS that they shall adhere to the recommendations provided.

**Comment:** On August 17, 2026, The Department of Natural Resources Water Resources Section responded with the following comments and recommendations:

Thank you for the opportunity to comment on this lease application After reviewing the information provided in the Agency Review and other documents it does appear that either a Water Right (WR) or Temporary Water Use Authorization (TWUA) **maybe needed**. A Temporary Water Use Authorization may be needed if it falls into one of the categories below.

Per 11 AAC 93.035 (a) (b) and 11 AAC 93.220, a temporary water use authorization must be received from DNR prior to:

- (1) the consumptive use of more than 5,000 gallons of water from a single source in a single day; or
- (2) the regular daily or recurring consumptive use of more than 500 gallons per day (gpd) from a single source for more than 10 days per calendar year; or
- (3) the non-consumptive use of more than 30,000 gpd (0.05 cubic feet per second) from a single source; or
- (4) any water use that may adversely affect the water rights of other appropriators or the public interest.

If a Water Right or Temporary Water Use Authorization are need, please use these links to get to the applications. (Water Right Application) (Temporary Water Use Authorization)

Please feel free to contact our office if you or the applicant has any questions at 907-269-8505 or dnr.twua@alaska.gov.

**Response:** DMLW acknowledges the water section-provided recommendations and through issuance of this decision document, informs ECS that they shall adhere to the recommendations provided.

**Comment:** On August 28, 2026, The Department of Fish and Game, Habitat Section (ADF&G) responded with the following comments and recommendations:

The Habitat Section has reviewed the Agency Review Notice for lease ADL 234888, to Elevated Consulting Services LLC. The Habitat Section has no objections to the described activities. However, if the applicant's activities may require a fish habitat permits. This includes snowmachining over waterbodies and water withdraws. Kichatna River (AWC: 247-41-10200-2053-3229) watershed has many streams that are catalogued as anadromous. Kichatna River provides habitat for Chinook, coho, sockeye, and chum salmon. Any crossing of anadromous waterbodies with a vehicle, while open or frozen, would require a permit. If the applicant is withdrawing water using a pump, they will be required to have a permit. If the applicant intends to modify banks, has in water work, or work at or below the ordinary high water line, the applicate may need a fish habitat permit as well. Please have the applicant contact me at (907)861-3203 or mandy.salminen@alaska.gov.

**Response:** DMLW acknowledges the ADF&G-provided recommendations and through issuance of this decision document, informs ECS that they shall adhere to the recommendations provided.

**Comment:** On September 2, 2026, The Division of Geological and Geophysical Surveys (DGGS) responded with the following comments and recommendations:

Mineral occurrences**:** No known mineral occurrences in the subject area.
Geologic units**:** Alluvial deposits, colluvial deposits, glacial deposits, lake deposits, paludal peat deposits, bedrock.
Lower-elevation areas may include alluvial or outwash deposits, while higher areas may include glacial drift or bedrock. Consider the geotechnical characteristics of the deposits and conduct more detailed engineering studies before development.

Suitability for construction**:** Clean sand and gravel may be suitable as a material resource, depending on their distribution, thickness, and ice content, as well as the thickness of any fine-grained surface cover. Materials on slopes may be unsuitable as a resource due to potential instability.
Ice-rich areas susceptible to thawing and areas of poor drainage may be unsuitable as foundation material.
Use best construction practices.
Flooding**:** Development along stream and river corridors may be at risk of flooding, so take appropriate planning and prevention measures. Additionally, abandoned channels and paludal peat deposits often occupy low-lying areas that may be preferential drainage courses and/or the water table may be near the surface.
Permafrost**:** Sporadic (10-50%)
Susceptibility to frost action**:** Generally intense frost action where sediments are fine-grained and/or wet. Generally less intense where sediment is coarse-grained and/or well-drained. Bedrock may be susceptible to frost action along bedding planes or joints.
Thaw stability**:** Thaw unstable where ice content is high, especially in areas of poor drainage. Generally, well-drained, coarse sediments are more thaw-stable than poorly drained, fine-grained sediments.
Surface drainage**:** Surface drainage is often poor near swamps and areas of permafrost, especially where sediment is fine-grained. Surface drainage is good along slopes where the soil is unfrozen as well as in coarse-grained sediment when it is unfrozen.
Seismic Hazard: Very high; *Standard best building practices should be used to accommodate the regional seismic hazard.*
Landslide Hazard**:** Not described.
Tsunami Hazard**:** None.
Volcanic/Ashfall Hazard: Yes; *This area has been subject to ash fall from erupting Cook Inlet and Alaska Peninsula volcanoes.*
Radon: Moderate; *The Environmental Protection Agency's (EPA) Action Level for radon is 4 pCi/L; the EPA suggests homeowners consider radon mitigation for test results of 2–4 pCi/L. Any home, school, or building can have high levels of radon and should be tested.*
Optional Reference(s)**:**
Reed, B.L., and Nelson, S.W., 1980, Geologic map of the Talkeetna Quadrangle, Alaska: U.S. Geological Survey Miscellaneous Investigations Series Map 1174, 15 p., 1 sheet, scale 1:250,000.

**Response:** DMLW acknowledges the DGGS-provided recommendations and through issuance of this decision document, informs ECS that they shall adhere to the recommendations provided.

**Comment:** On September 2, 2026, The Department of Fish and Game (ADF&G), Access Defense responded with the following comments and recommendations:

ADF&G has no biological objections. However, based on the available information, it is unclear how the proposed activities meet the threshold for commercial use of state land under AS 38.05.070(b). Lodging, recreation, remote work, and occasional client meetings do not clearly demonstrate a commercial need for a one-acre lease. To better understand the request, additional information from the applicant would be helpful, including:

- What business functions require this remote location;
- How the proposed use differs from personal or recreational use; and
- How the authorization is in the state's best interest.

Given the limited level of activity and small footprint of existing structures, ADF&G recommends that—if authorization is granted—DNR consider continuing authorization as a land use permit and limiting the footprint to the area occupied by the structures. Issuing a long-term lease for this scale of use may set precedent for similar exclusive-use requests on remote public lands without a clearly demonstrated commercial purpose.

Avoiding Conflict with Wildlife:

a. Wildlife Safety & Attractants:

All fuel, trash, food, fish waste, gray water, and other potential wildlife attractants (including petroleum-based products) must be secured in bear-resistant containers. These containers must be constructed of durable materials such as metal or hard-sided plastic and have lids with lockable, secure latches. Only containers specifically designed and approved for bear resistance should be used. Where feasible, electric fencing should also be installed around food and waste storage areas. Camps must be kept clean at all times to minimize odors and attractants, and no attractants may be left unattended overnight. Failure to properly secure attractants may be considered negligent and unlawful feeding of wildlife, subject to enforcement under applicable state regulations.

b. Bear Safety:
Guidance on staying safe in bear country and avoiding negative interactions, including the use of bear-resistant containers and electric fences, is available on the ADF&G website:
http://www.adfg.alaska.gov/index.cfm?adfg=livingwithbears.main

c. Reporting Wildlife Interactions:
Any human-wildlife conflicts or concerning encounters should be reported to ADF&G's Division of Wildlife Conservation:
https://www.adfg.alaska.gov/index.cfm?adfg=reportwildlifeencounter.main

d. Disposing of Fish Remains:
   I. If cleaning fish on-site, chop remains into small pieces and discard them in fast-moving water.
   II. If processing fish elsewhere, dispose of waste at a waste transfer station or landfill (if permitted), or freeze it to eliminate odors and place it out with the trash only on pickup day (never the night before).
   III. Do not dispose of waste in slow-moving or still water, as it can attract wildlife.
   IV. Use bear-resistant containers for storage and follow all local waste disposal guidelines.

e. Gray Water & Wastewater Management:
   Dispose of gray water responsibly to protect fish habitat and reduce wildlife encounters. Gray water must never be dumped in or near waterbodies, as it degrades water quality and can also harm sensitive aquatic ecosystems. Improper disposal can also attract wildlife, including bears, increasing the risk of dangerous encounters. To minimize impacts, manage gray water away from cabins or campsites and follow all Alaska DNR stipulations for wastewater disposal in remote areas.

f. Defense of Life or Property (DLP):
   Shooting bears that access camp supplies does not qualify as a DLP action unless all attractants were properly secured. If you kill an animal in a DLP under 5 AAC 92.410, you must print and complete the **required** DLP form, submit it to ADF&G, and immediately notify either the Alaska Wildlife Troopers or your nearest ADF&G office. You must also salvage the bear's hide (with claws attached) and skull and surrender them to ADF&G. Link to DLP form:
   https://www.adfg.alaska.gov/static/license/otherlicense/pdfs/defense_life_property_game_animal_kill_report.pdf

g. Feeding Wildlife:
   Feeding wildlife is illegal in Alaska and poses serious safety risks. Feeding animals to obtain pictures, videos, or for any other reason is strictly prohibited. It can lead to aggressive animal behavior and often results in the animal being killed.

h. Responsible Wildlife Viewing:
   For guidance on responsible wildlife viewing, see ADF&G's Wildlife Viewing Ethics page:
   https://www.adfg.alaska.gov/index.cfm?adfg=viewing.ethics

**Response:** DMLW acknowledges the ADF&G Access Defense-provided recommendations and concerns. ADF&G noted their concern regarding how the proposed use differs from personal or recreational use and what business functions require this remote location to which ECS has provided the following response.

"Part of our plan is to offer nature-based retreats where clients can step away from their everyday environments, disconnect from technology, develop practical skills, and focus on personal and professional growth.

We are currently working with two Alaska nonprofits, one which focuses on workforce development and teaching sustainable skills to Alaskans, and another which helps men develop the skills and habits needed to regain stability and become productive members of their communities.

We see an opportunity to incorporate this remote location into our consulting services by offering clients an experience that simply cannot be replicated in a traditional office or meeting space. The isolation and primitive conditions are an important part of the experience. Without running water, electricity, or refrigeration, participants can learn practical wilderness living skills, develop self-reliance, work through challenges, and gain a different perspective away from the distractions of everyday life.

The distinction between this proposed use and personal recreation is that the property would serve as a location for organized, client-focused retreats and learning experiences offered through Elevated Consulting Services. Rather than using the cabins for personal enjoyment, we intend to incorporate the property into our business operations as a unique setting for experiential learning, skill development, and personal growth. We believe the location itself is what makes this opportunity valuable. Its remoteness is an essential part of the learning experience we hope to provide."

ECS has updated their development plan and provided clarification as to the use of the site, which is utilized for client lodging, remote work activities related to securing future visits to the site, and business-related meetings/retreats associated with Elevated Consulting Services LLC operations, which is commercial in nature. To ADF&G's suggestion to authorize under a permit, the site is currently authorized under a DMLW permit, though permits are designed to be for uses that are temporary in nature, making the current infrastructure more appropriate for a lease. The development plan does not request installing a fence so the one-acre footprint of the lease site therefore does not limit access to State land by other users. Authorizing the activity under a lease allows for the continued use of the infrastructure in support of ECS and their clients and is therefore in the State's best interest.

**Discussion**
ECS is applying for a lease to continue the existing use of their two cabins, one storage shed, and an outhouse currently authorized under Permit LAS 35772. Permits are designed for uses that are temporary in nature making the current infrastructure more appropriate for a lease. The site is used for client lodging, remote work activities related to securing future visits to the site, and business-related meetings/retreats associated with Elevated Consulting Services LLC operations. DMLW is proposing to issue a short-term, non-competitive land lease under AS 38.05.070(b). Authorizing the activity under a lease allows for the continued use of the infrastructure in support of ECS and their clients and is therefore in the State's best interest.

The proposed lease will be subject to the terms of DMLW's standard lease document effective at the time the lease is signed. The current standard lease document is available for review upon request. The lease will also be subject to additional stipulations based, in part, upon the following considerations.

**Development Plan**
The Development Plan (DP) attached to this decision (Attachment A) and dated November 2, 2026, is under consideration by DMLW. Should the proposed lease be granted, it is anticipated that the DP will need to be updated throughout the life of the lease as activities and/or infrastructure are added or subtracted. All updates must be approved, in writing, by DMLW before any construction, deconstruction, replacement of infrastructure, or change in activity will be authorized. DMLW reserves the right to require additional agency review and/or public notice for changes that are deemed by DMLW to be beyond the scope of this decision.

**Performance Guaranty**
In accordance with AS 38.05.035 and AS 38.05.860, the applicant will be required to submit performance guaranties for the lease to incentivize performance of the conditions of the EA (if applicable) and the lease and to provide a mechanism for the state to ensure that the lessee shares in financial burden in the event of noncompliance for site cleanup, restoration and any associated costs after termination or expiration of the leases, the following bonds will be required.

**$4,500.00 Performance Guaranty** Performance guaranties provide a means to pay for corrective action if the lessee fails to comply with the lease requirements. In accordance with AS 38.05.035(a)(4), the applicant will be required to submit a performance guaranty. The amount of the performance guaranty is based on the scope and the nature of the activity and the potential cost of restoring the site. Performance guaranties are subject to periodic adjustments being made during the term of the authorization to address increases or decreases in the costs of rectifying problems

and rehabilitating state land due to inflation, changes in the level or nature of development, or other appropriate factors.

The Lessee must post a performance guaranty in the amount of $4,500.00 to secure faithful performance with all terms and condition of the lease and to ensure site restoration of the leasehold. The performance guaranty must remain in effect for the duration of the lease term or until released in writing by the AO.

Failure by the Lessee to provide replacement security, upon notice of non-renewal of an existing form of security, shall be grounds for the AO to make a claim upon the existing security to protect the Lessor's interests.

The guaranty amount will be subject to periodic adjustments and may be adjusted upon approval of any amendments to the lease, assignments, re-appraisals, changes in the development plan, approval of a reclamation plan, any change in the activities conducted or performance of operations conducted on the leased premises and as a result of any violations to the lease agreement.

The guaranty may be utilized by the AO to cover actual costs incurred by the State of Alaska to pay for any necessary corrective actions in the event the Lessee does not comply with the site utilization, restoration requirements and/or other stipulations contained in the lease agreement. If the Lessee fails to perform the obligations under the lease agreement within a reasonable timeframe, the AO may perform the Lessee's obligations at the Lessee's expense. The Lessee agrees to pay within 20 days following demand, all costs and expenses reasonable incurred by the State of Alaska as a result of the failure of the Lessee to comply with the terms and conditions of the lease agreement. The provisions of these authorizations shall not prejudice the State's right to obtain a remedy under any law or regulation.

The performance guaranty will be released upon expiration of the lease provided that all terms and conditions of the lease have been met, including complete removal and restoration of the leased area leaving the site in a safe and clean condition.

**Reclamation Bond** The State will reserve the right to require a reclamation bond due to noncompliance issues during the term of the lease or near the end of the life of the project.

**Insurance**

To protect the State from liability associated with the use of the site, the applicant shall provide and maintain a comprehensive general liability insurance policy with the State of Alaska named as an additional insured party per the stipulations of the authorization. The applicant shall secure or purchase at its own expense and maintain in force at all times during the term of this lease, 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.

**Survey**
In accordance with AS 38.04.045, this lease does not require a survey. However, the State of Alaska reserves the right to require one in the future, should the need arise due to changes in statutes or increased use of the area. The applicant will be required to submit GPS coordinate points for the leased area.

**Compensation and Appraisal**
The proposed leasehold is located off of the road system and has no public utilities, therefore the proposed lease qualifies under DMLW's Fee Schedule (report number 2618-17), which sets the annual fee at **$1,920.00.** As the Fee Schedule satisfies the requirements of AS 38.05.840, no appraisal will be required from the applicant. Furthermore, in accordance with AS 38.05.105, the proposed lease will be subject to reappraisal at five-year intervals after the issuance of the proposed authorization.

If the applicant does not agree with the fee schedule amount of **$1,920.00.**, the applicant may obtain fair market value appraisal of the proposed leasehold at their expense. The appraisal must be approved by DMLW Appraisals Section. If an appraisal is approved, the applicant will be required to pay the appraised amount. The Alaska State Land Survey or Alaska Tidelands Survey may need to be completed before the applicant can obtain an appraisal.

**Visitor Day Use Fee**
All commercial recreation authorizations are subject to a $4.00/day "Visitor Day" fee under 11 AAC 96.250(18), for each client using state land. *A Visitor Day is defined as meaning all or any part of a calendar day which a commercial recreation client is present, with each client representing a separate visitor day if multiple clients are present at any time during a calendar day.* This fee is collected once a year and will be due on the same day as the annual fee.

**Subleases**
Subleasing is permissible through AS 38.05.095, if the proposed lease is approved. A sublease is defined to include any lease, rental, storage, or accommodation agreement between the Lessee and another individual, business or corporation utilizing or benefiting from the lease parcel. Sublessee shall be defined to mean any individual or business entity executing an agreement, as above, with the Lessee. A sublease pertaining to the proposed lease includes but is not limited to, user agreements, license agreements, communication site agreements, or any contracts between the lessee and other commercial entities. All potential subleases must first be approved in writing by DMLW. DMLW may conduct further agency review and/or public notice before making a

determination on the appropriateness of the proposed sublease. The sublease fee will be 25% of the annual fee paid to the lessee by the sublessee. All sublessees and activities must meet the statutory qualifications under which this original lease was issued.

**Assignment**
The proposed lease, if issued, may be assigned to another individual or corporation only with written approval from the State of Alaska. A lease will not be assigned to an entity if that entity does not meet the statutory qualifications or requirements of the lease, or if the lessee is considered not to be in "good standing" with this or any other agency authorization.

**Reclamation**
In accordance with AS 38.05.090, the leasehold must be restored to a "good and marketable condition" within 120 days after termination of the lease.

In accordance with AS 38.05.090(b), all lessees must restore their lease sites to a "good and marketable condition" within 120 days after termination of the lease. What level of reclamation constitutes as being "good and marketable" is at the discretion of DMLW. DMLW reserves the right to require a reclamation bond due to non-compliance issues during the term of the lease or near the end of the life of the project.

**Public Notice**
Pursuant to AS 38.05.945, this PD will be noticed for a 30-day public comment period**,** starting on November 23, 2026. The Skwentna, Talkeetna, and Trapper Creek post offices located near the proposed leasehold 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. Additionally, Public Notice will be sent to all third-party interests, nearby landowners, Soil and Water Conservation District (SWCD), Cook Inlet Region, Inc. and the Matanuska-Susitna Borough.

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.

**Written comments about this project must be received in this office no later than 11:59 PM on December 23, 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 Land Office
ATTN: *Leiana Cox*
550 West 7th Avenue, Suite 900C
Anchorage, AK 99501
Email: leiana.cox@alaska.gov
Fax: (907) 269-8549

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 1-800-770-8973 for TTY services.

***Signature page follows.***

**Recommendation**

DMLW has completed a review of the information provided by the applicant, examined the relevant land management documents, agency comments, and land ownership, and has found that this project is consistent with all applicable statutes and regulations. DMLW considered both direct and indirect benefits to the State. ECS currently holds a permit with DMLW for the use and operation of their lodging facilities in support of their business. Authorizing the activity under a lease allows for the continued use of the infrastructure to support ECS and their clients. DNR finds granting of the proposed lease provide the greatest benefit to the State.

I recommend proceeding to public notice for the purpose of providing the members of the public and those entities identified in AS 38.05.945 an opportunity to review and submit comments.

Leiana Cox 11/23/2026

Leiana Cox, Natural Resource Specialist 3 Date

**Preliminary Decision**

It is the determination of the Division of Mining, Land and Water that it may be in the State's best interest to issue a short-term, non-competitive land lease for 10 years to the applicant, as described above as the current infrastructure is more appropriate for a lease. ECS uses the site for client lodging, remote work activities related to securing future visits to the site, and business-related meetings/retreats associated with Elevated Consulting Services LLC operations. Authorizing the activity under a lease allows for the continued use of the infrastructure to support ECS and their clients. This Preliminary Decision shall now proceed to public notice.

11/23/2026

Grace Newcomb, Natural Resource Manager 1 Date

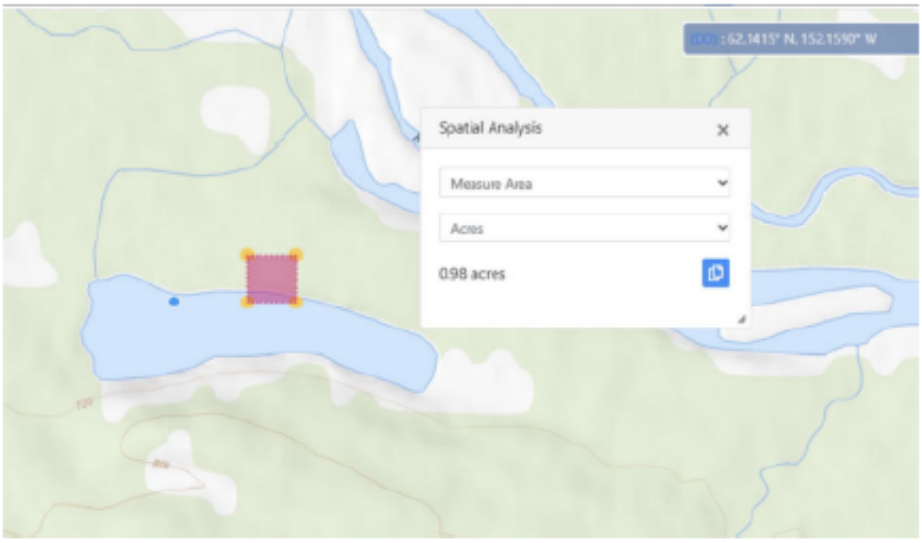
Southcentral Regional Land Office, Division of Mining, Land and Water

**Attachments**

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

# Attachment A
# Development Plan

***Polygon***




***DEVELOPMENT PLAN NARRATIVE***

**Applicant:** Elevated Consulting Services LLC

**Authorization:** Lease Application (Existing ADL Permit 35772)

**Location:**
N1/2 of Section 26, Township 24 North, Range 16 West, Seward Meridian.
Approximately 1 acre
Kichatna River Drainage
GPS Coordinates: 62.14176, -152.15656

**Project Description:**

Elevated Consulting Services LLC is applying for a lease to continue the existing use of the site currently authorized under ADL Permit 35772. The site is used by Elevated Consulting and their clients for lodging, remote work activities related to securing future visits to the site, maintenance of the existing improvements, and business-related meetings/retreats associated with Elevated Consulting Services LLC operations.

No expansion of the existing site is proposed under this application. Existing improvements consist of two, 12-foot by 12-foot cabins (one log and one stick built) , one 12-foot by 12-foot storage shed, and one 3x3 outhouse. The 12x12 stick built cabin foundation needed to be reset, which required the cabin to be broken down and stored. We plan to assemble the same cabin in the future. All improvements are owned and maintained by Elevated Consulting Services LLC. The estimated value of the existing improvements is approximately

# Attachment A
# Development Plan

$80,000.

Foundations on all structures are non-permanent and set on wooden blocks above ground.

**Terrain and Ground Cover**

The site is located on naturally vegetated land between a lake and a river within the Kichatna River drainage. Existing vegetation consists primarily of mature birch and spruce trees, alder stands, blueberry bushes, and native ground cover typical of the region. The site remains largely undisturbed, with only the areas immediately surrounding the existing cabins, shed, and outhouse utilized for occupancy and maintenance activities. No grading, excavation, clearing, or significant alteration of the existing terrain or vegetation is proposed under this lease application.

**Access**

The site is accessed seasonally by aircraft and snowmachine. During winter months, access occurs by snowmachine and ski-equipped aircraft. During summer months, access occurs by floatplane. No roads exist to the site, and no road construction is proposed.

**Buildings and Structures**

The site contains the following existing improvements:

- Cabin #1 – 12' x 12' log cabin used for lodging and shelter.
- Cabin #2 – 12' x 12' stick-built cabin used for lodging and shelter. (currently disassembled, will be re-assembling in the future)
- Storage Shed – 12' x 12' structure used for storage of equipment, supplies, and maintenance materials.
- Outhouse – Existing 3'x3' privy structure used for sanitation.

No additional buildings or structures are proposed.

**Power Source**

No permanent electrical service exists at the site. A portable gasoline-powered generator is used on an as-needed basis for temporary electrical power.

**Water Supply**

Water is obtained seasonally from nearby surface water sources, including the lake and river adjacent to the site. Water is collected and transported to the cabins as needed.

**Waste Management**

Human waste is managed through the existing outhouse located on the site.
Household refuse and solid waste generated during occupancy are removed from the site and

disposed of at approved facilities. No permanent dump site exists on the property.

**Hazardous Materials and Fuel Storage**

Limited quantities of fuel and maintenance products are stored within the storage shed. Materials may include:

- Gasoline for generator and snowmachine use (less than 50 gallons total)
- Chain saw bar oil (less than 3 gallons)
- Absorbent spill response materials

Fuel is stored in DOT-approved containers and placed within secondary containment capable of holding the contents of the containers in the event of a leak. Fuel is consumed through normal operation of equipment and is not disposed of on-site.

**Parking and Storage Areas**

No vehicle parking area exists due to the remote nature of the site.

The storage shed is used for storage of:

- Fuel containers
- Building materials
- Nails and screws
- Chain saws and hand tools
- Extra cots
- Life vests
- Oars
- Rope
- General maintenance supplies

**Number of Users**

The site is utilized by Elevated Consulting and their clients. Occupancy varies seasonally and may include the leaseholders alone for maintenance and preparation for clients, clients alone, or clients accompanied by the Elevated Consulting. The site is also used periodically by Elevated Consulting for maintenance activities and virtual meetings intended to showcase the accommodations to prospective clients and future client visits..

**Maintenance and Operations**

Routine maintenance of all structures and improvements is performed by Elevated Consulting. Maintenance activities include repair of structures, upkeep of the outhouse, fuel management, trail maintenance, and general site cleanup. No subcontractors are anticipated.

**Closure and Reclamation**

# Attachment A
# Development Plan

If the lease is terminated or otherwise discontinued, all personal property, equipment, fuel containers, and removable improvements will be removed from the site unless otherwise authorized by the State of Alaska. The site will be left in a clean condition consistent with applicable state requirements.

**USGS Location Map**

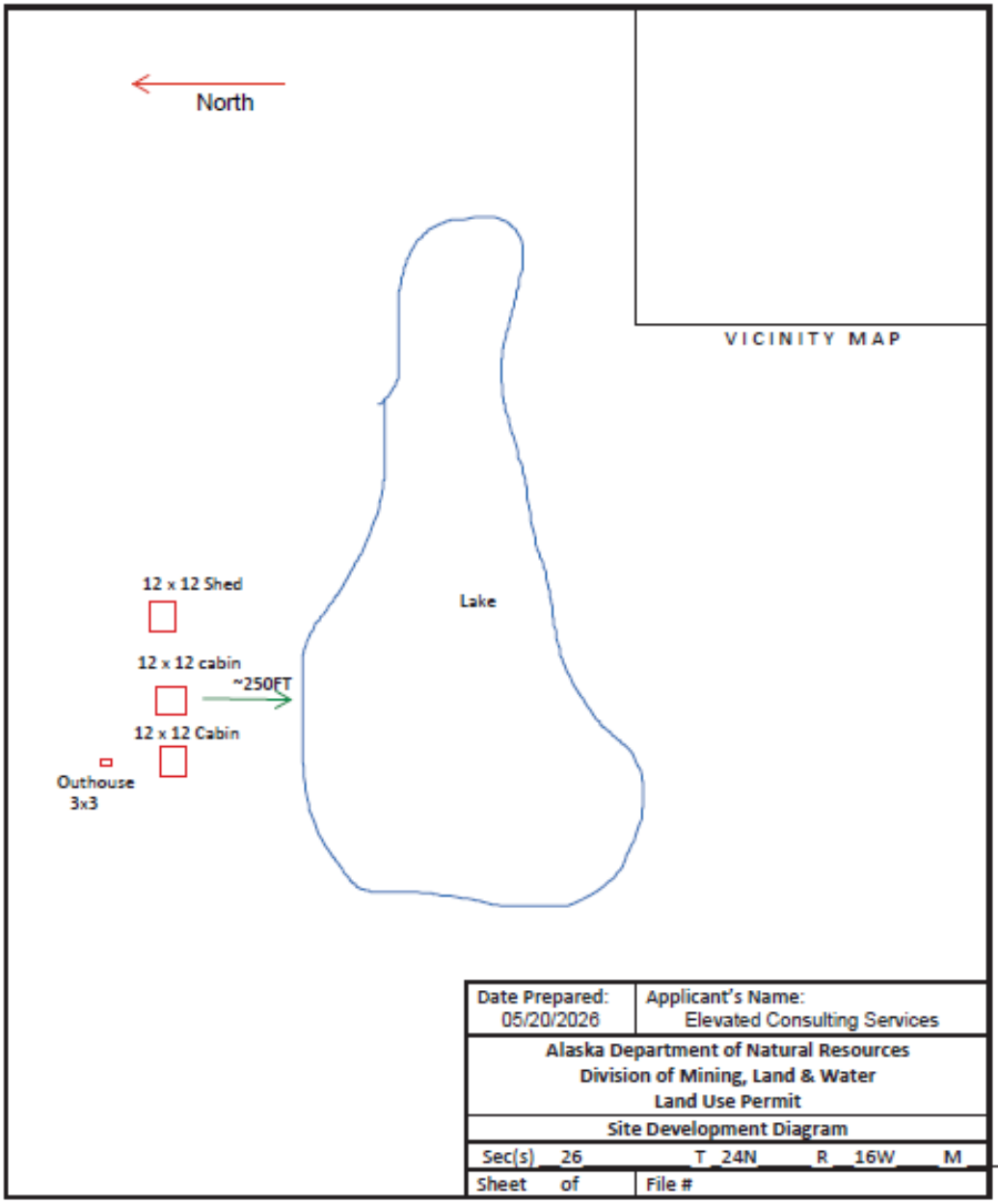
Elevated Consulting Services LLC

T24N, R16W, Sec. 26, Seward Meridian



# Attachment A
# Development Plan

Site Development Diagram



# Attachment B
# Sample Lease Agreement

**STATE OF ALASKA**
**DEPARTMENT OF NATURAL RESOURCES**
**DIVISION OF MINING, LAND AND WATER**
**550 W. 7th Avenue, Suite 900C**
**Anchorage, Alaska 99501-3577**

**LESSEE**
**ADL No. XXXXXX**
**LEASE AGREEMENT**
**AS 38.05.XXX**

Effective this **Xst** day of **MONTH YEAR**, this lease agreement is entered into by the State of Alaska, hereafter referred to as "lessor," and **LESSEE**, hereafter referred to as "lessee," whether one or more, whose sole addresses for purposes of notification under this lease agreement are listed in section 28.

The lessor and the lessee agree that this lease, including all attachments and documents that are incorporated in this lease by reference, contains the entire agreement between the parties, and each of the covenants and conditions in this lease including any attachments will be binding upon the parties and upon their respective successors and assigns. The lessor and the lessee further agree that this lease is conditioned upon satisfactory performance by the lessor and the lessee of all covenants and conditions contained in this lease. The lessee is aware of the provisions of Title 38, Alaska Statutes, Title 11, Alaska Administrative Code, and other applicable laws, regulations, and ordinances, and fully understands the duties and obligations of the lessee under this lease, and the rights and remedies of the lessor.

This lease is subject to all applicable state, federal, and municipal statutes, regulations, and ordinances in effect on the effective date of this lease, and insofar as is constitutionally permissible, to all statutes, regulations, and ordinances placed in effect after the effective date of this lease. A reference to a statute, regulation, or ordinance in this lease includes any change in that statute, regulation, or ordinance, whether by amendment, repeal and replacement, or other means. This lease does not limit the power of the State of Alaska, its political subdivisions, or the United States of America to enact and enforce legislation or to adopt and enforce regulations or ordinances affecting, directly or indirectly, the activities of the lessee or its agents in connection with this lease or the value of the interest held under this lease. In case of conflicting provisions, statutes, regulations, and ordinances take precedence over this lease. This lease shall not be construed as a grant or recognition of authority for promulgation or adoption of municipal ordinances that are not otherwise authorized.

1. Grant. This lease is issued under the authority of **AS 38.05.XXX** for a term of **X** years beginning on the **Xst** day of **MONTH YEAR**, and ending at 11:59PM on the **Xth** day of **MONTH YEAR**, unless sooner terminated, subject to: compensation as specified in section 2; the attached Additional Stipulations (Attachment A); and the attached development plan approved by the State on **MONTH DAY, YEAR** (Attachment B); and if any, that are incorporated in and made a part of this lease, for the following, hereafter referred to as the "leasehold":

**LEGAL DESCRIPTION**

Excepting and reserving any general reservations to the lessor that are required by law and that may be stated elsewhere in this lease, and the following, which the state reserves for itself and others:

**Subject to:**

**Platted easements and restrictions.**

**The conditions and stipulations in Attachment A, Additional Stipulations.**



SAMPLE

# Attachment B
# Sample Lease Agreement

**Attachment B, Approved Development Plan, attached and made part of this lease agreement.**

2. Compensation. (a) The lessee shall pay to the lessor compensation as follows, without the necessity of any billing by the lessor: **$X,XXX.00** due on or before **MONTH DAY** every year. The lessor may, upon 10 days' notice, review and copy any records of the lessee that are necessary to verify the lessee's compliance with this paragraph.

(b) In accordance with AS 38.05.105, the lease compensation is subject to adjustment by the lessor at the commencement of the sixth year of the term and every fifth year thereafter (the "adjustment date"). The compensation adjustment takes effect on the applicable adjustment date, regardless of whether the adjustment determination occurs before or after that date. All reasonable costs of the adjustment, including reappraisal if required by the lessor, will be borne by the lessee.

3. Denial of Warranty. The lessor makes no warranty, express or implied, nor assumes any liability whatsoever, regarding the social, economic, or environmental aspects of the leasehold, including, without limitation, the soil conditions, water drainage, access, natural or artificial hazards that may exist, or the profitability or fitness of the leasehold for any use. The lessee represents that the lessee has inspected the leasehold and determined that the leasehold is suitable for the use intended, or has voluntarily declined to do so, and accepts the leasehold "as is" and "where is."

4. Use of Leasehold. Prior to execution of this lease and to commencing use or development of the leasehold, the lessee shall submit a development plan for the leasehold to the lessor and obtain the lessor's approval of the plan. Any use or development of the leasehold must be consistent with the development plan approved by the lessor. Any proposed revisions to the development plan must be submitted to the lessor for approval before any change in use or development occurs. The lessee shall use and occupy the leasehold in compliance with the approved development plan and all applicable laws, regulations, ordinances, and orders that a public authority has put into effect or may put into effect, including those of a building or zoning authority and those relating to pollution and sanitation control. The lessee may not permit any unlawful occupation, business, or trade to be conducted on the leasehold. The lessee shall properly locate all activities and improvements on the leasehold, and may not commit waste of the parcel. The lessee shall maintain and repair the leasehold including improvements in a reasonably neat and clean condition, and shall take all necessary precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion, unreasonable deterioration, or destruction of the land or improvements. The lessee agrees not to place any aboveground or underground fuel or chemical tanks on the leasehold without the prior written approval of the lessor.

5. Encumbrance of Leasehold. The lessee may not encumber or cloud the lessor's title to the leasehold, or any portion of the leasehold, nor enter into any lease, easement, or other obligation of the lessor's title without the prior written approval of the lessor.

6. Assignment of Interest. The lessee may not assign or sublet any interest held under this lease, including a security interest, without the prior written approval of the lessor. The lessor may approve such assignment or subletting if the lessor finds it to be in the best interest of the state. No such assignment or subletting will be effective until approved by the lessor in writing, and the assignee agrees to be subject to and governed by the provisions of this lease, any subsequent amendments to this lease, any additional stipulations, or reappraisal as deemed appropriate by the lessor, and all applicable laws, regulations, and ordinances in the same manner as the original lessee. No assignment or subletting of the leasehold, or any portion thereof, by the lessee will annul the lessee's obligation to pay the compensation required for the full term of this lease. Except as provided in this lease, no subdivision of the leasehold interest may occur without the prior written approval of the lessor.

7. Conditional Lease. If all or part of the leasehold has been tentatively approved, or approved, but not yet patented, by the United States to the lessor, then this lease will be conditioned upon receipt by the lessor of such patent. If for any reason the lessor does not receive patent, any compensation paid to the lessor under this lease will not be refunded. Any prepaid compensation for land to which patent is denied the lessor will be refunded to the lessee of record in the amount of the pro-rata portion of the unexpired term. The lessor will have no further liability to the lessee for the termination of the lease.

SAMPLE

8. Payment of Taxes and Assessments. The lessee shall pay prior to delinquency all taxes and assessments accruing against the leasehold.

9. Section Line Rights-of-Way. If the leasehold borders on or includes one or more section lines, the lessor hereby expressly reserves unto itself and its successors and assigns a right-of-way or rights-of-way pursuant to AS 19.10.010.

10. Navigable and Public Waters. (a) Pursuant to AS 38.05.127 and 11 AAC 53.330, the lessor reserves a public access easement to and along all public or navigable water bodies that border on or are included in this leasehold. No public access easement may be obstructed or otherwise rendered incapable of reasonable use for the purposes for which it was reserved. No public access easement may be vacated, abandoned, or extinguished without the prior written approval of the lessor.

(b) The Public Trust Doctrine guarantees public access to, and the public right to use, navigable and public waters and the land beneath them for navigation, commerce, fishing, and other purposes. This lease is issued subject to the principles of the Public Trust Doctrine regarding navigable or public waters. The lessor reserves the right to grant other interests to the leasehold consistent with the Public Trust Doctrine.

11. Condemnation of Leasehold or Improvements. If the whole or any part of the leasehold is taken by any authorized body or person vested with the power of eminent domain, by negotiation, court action, or otherwise, the following provisions control:

(1) Taking of the entire leasehold. If all of the leasehold is taken by condemnation, this lease and all rights of the lessee will immediately terminate, and the compensation will be adjusted so that it is due only until the date the lessee is required to surrender possession of the leasehold. The lessor is entitled to all the condemnation proceeds, except that the lessee will be paid the portion of the proceeds attributable to the fair market value, as determined in the condemnation proceedings, of any buildings or improvements taken that were placed on the condemned leasehold by the lessee in accordance with the approved development plan.

(2) Taking of substantial part of the leasehold. If the taking is of a substantial part of the leasehold, the following rules apply:

> (A) If the taking by condemnation reduces the ground area of the leasehold by at least 30 percent or materially affects the use being made by the lessee of the leasehold, the lessee has the right to elect to terminate the lease by written notice to the lessor not later than 180 days after the date of taking.
>
> (B) If the lessee elects to terminate, the provisions in subsection (1) of this section govern the condemned portion of the leasehold and the covenants and conditions of the lease govern disposal of the remainder of any buildings or improvements made by the lessee in accordance with the approved development plan.
>
> (C) If the lessee does not elect to terminate, the lease continues and the lessor is entitled to the full condemnation proceeds except the portion attributable to the fair market value, as determined in the condemnation proceedings, of any buildings or improvements taken that were placed on the condemned portion of the leasehold by the lessee in accordance with the approved development plan. Compensation at the existing rate will terminate on the date the lessee is required to surrender possession of the condemned portion of the leasehold. Except as it may be adjusted from time to time under the covenants and conditions of the lease and applicable statutes, compensation for the balance of the term will be adjusted by the lessor to reflect the taking.

(3) Taking of insubstantial part of the leasehold. If the taking by condemnation reduces the ground area of the leasehold by less than 30 percent and the lessor determines that the taking is of such an insubstantial portion that the lessee's use of the leasehold is not materially affected, the lessee may not elect to terminate the lease and the compensation provisions of subsection 2(C) of this section will govern.



SAMPLE

12. Valid Existing Rights. This lease is subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land in existence on the date of execution of this lease.

13. Inspection. The lessor will have reasonable access to the leasehold for purposes of inspection.

14. Mineral Reservations. This lease is subject to the reservations required by AS 38.05.125 and the rights and obligations imposed by AS 38.05.130.

15. Concurrent Use. This lease is subject to reasonable concurrent uses as provided under Article VIII, Section 8 of the Constitution of the State of Alaska. The concurrent user who is found to be at fault for damage or injury arising from noncompliance with the terms governing the user's concurrent use is liable for damages and the user's interest is subject to forfeiture or termination by the lessor. In this context, the term "concurrent user" includes the lessee and any other person or entity who lawfully uses the land subject to this lease, but does not include the State of Alaska.

16. Surface Resources. Unless otherwise provided by this lease or other written authorization, the lessee may not sell or remove from the leasehold any timber, stone, gravel, peatmoss, topsoil, or any other material valuable for building or commercial purposes. Material required for the development of the leasehold may be used only in compliance with the approved development plan.

17. Appropriation or Disturbance of Waters. During the term of this lease, the lessee will have the right to apply for an appropriation of ground or surface water on the leasehold in accordance with AS 46.15 and 11 AAC 93.060.

18. Acquisition of Rights or Interests. Any right or interest acquired during the term of this lease and accruing to the benefit of the leasehold will remain appurtenant to the leasehold, and may not be severed or transferred from the leasehold without the prior written approval of the lessor. In the event of termination or forfeiture of this lease, any such right or interest will vest in the lessor.

19. Land Alterations Due to Natural or Artificial Causes. The interest described in this lease constitutes the entire leasehold. If, through natural or artificial causes, accretion or reliction of land occurs contiguous to the leasehold, the Lessee has no right to occupy or use the accreted land unless a separate lease is entered with the Lessor with respect to such lands. The rules of law usually applicable to accretion or reliction of land do not apply to this lease, nor to the interest described in this lease.

20. Waiver or Forbearance. The receipt of compensation by the lessor, with or without knowledge of any default on the part of the lessee, is not a waiver of any provision of this lease. No failure on the part of the lessor to enforce a covenant or condition of this lease, nor the waiver of any right under this lease by the lessor, unless in writing, will discharge or invalidate the application of such covenant or condition. No forbearance or written waiver affects the right of the lessor to enforce any covenant or condition in the event of any subsequent default. The receipt of compensation by the lessor after termination or any notice of termination will not reinstate, continue, or extend this lease, or destroy, or in any manner impair the validity of any notice of termination that may have been given prior to receipt of the compensation, unless specifically stated by the lessor in writing.

21. Default and Remedies. (a) Time is of the essence in this lease. If the lessee defaults on the performance of any of the covenants or conditions of this lease, and the default is not remedied within 60 days after the lessor issues written notice of such default to the lessee and to the holder of a security interest in the leasehold approved by the lessor, or within any additional period the lessor allows for good cause, the lessee will be subject to legal or any other administrative action deemed appropriate by the lessor, including termination of this lease. The lessor may, in the notice of the default or in a separate written notice, state that if the default is not remedied, this lease shall terminate on a date certain, which shall be at least 60 days after issuance of the notice of default. Upon the date specified in such notice, unless the default has been remedied, the lease shall expire automatically without further notice or action by the lessor and this lease and all rights of the lessee under the lease shall terminate. Upon termination of the lease the lessor shall have an immediate right to possession of the leasehold



SAMPLE

and any possession by the lessee shall be unlawful. It is specifically agreed that no judicial action shall be necessary to terminate this lease or to allow the lessor to retake possession in the event of default by the lessee. No improvements may be removed from the leasehold while the lease is in default except with the lessor's prior written approval. If this lease is terminated for default, all compensation paid by the lessee is forfeited to the lessor. The lessor is not liable for any expenditures made or undertaken by the lessee under this lease. Any costs or fees, including attorney's fees, reasonably incurred by the lessor for the enforcement of this lease, shall be added to the obligations due and payable by the lessee.

(b) The rights, if any, of third-party security interest holders or lienholders are controlled solely by AS 38.05.103 and 11 AAC 58.590. If the lessee fails to remedy the default within the time allowed in subsection (a) of this section, the holder of an approved security interest who has received notice under subsection (a) of this section may remedy the default. The holder shall act within 60 days from the date of receipt of notice under subsection (a) of this section, or within any additional period the lessor allows for good cause.

(c) The lessor may, at the lessor's option, following the lessee's default and failure to remedy, or after termination of this lease due to such default and failure to remedy, accelerate the unpaid compensation for the remainder of the term of this lease. The lessee's obligation to pay such accelerated rent to the lessor survives termination of this lease.

(d) If this lease is terminated, or all or any portion of the leasehold is abandoned by the lessee, the lessor may immediately enter, or re-enter and take possession of the leasehold, and without liability for any damage, remove all persons and property from the leasehold and may, if necessary, use summary proceedings or an action at law. The words "enter" and "re-enter" as used are not restricted to their technical legal meaning. Any entry, re-entry, possession, repossession, or dispossession by the lessor, whether taken with or without judicial action, does not absolve, relieve, release, or discharge the lessee, either in whole or part, of any liability under the lease.

(e) The lessor, upon or at any time after giving written notice of any default, may enter or re-enter the leasehold to remedy any default by the lessee or exercise any right given under this lease, all without the intervention of any court being required. The curing of such default shall not be deemed for any purpose to be for the benefit of the lessee.

(f) At any time after termination of this lease, the lessor may re-let the leasehold, or any part thereof, in the name of the lessor for such term and on such conditions as the lessor may determine, and may collect and receive the compensation therefor. The lessor shall not be responsible or liable for failure to re-let the leasehold or for any failure to collect any compensation due upon such re-letting, nor shall the lessor be required to account for or pay to the lessee any excess compensation received as a result of such re-letting. The lessee shall be liable for any deficiency, and for all costs, expenses, and fees incurred by the lessor arising out of the default, including the lessor's efforts to re-let the leasehold.

(g) No right or remedy conferred upon or reserved to the lessor in this lease or by statute, or existing in law or equity, is intended to be exclusive of any other right or remedy, and each and every right shall be cumulative.

22. Disposition of Improvements and Chattels After Termination. AS 38.05.090 will govern disposition of any lessor-approved chattels or improvements left on the leasehold after termination. At the lessor's sole option, improvements not approved by the lessor shall be removed from the leasehold and the site restored to its original condition at the lessee's sole expense, or be forfeited to the lessor. The lessee shall be liable to the lessor for any costs, expenses, or damages arising out of the disposition of improvements not approved by the lessor, and may be required to pay rent on any improvements or chattels left on the parcel in accordance with 11 AAC 58.680.

23. Indemnity to Lessor. The lessee shall indemnify, defend, and hold the lessor harmless from and against all claims, demands, judgments, damages, liabilities, penalties, and costs, including attorney's fees, for loss or damage, including but not limited to property damage, personal injury, wrongful death, and wage, employment, or worker's compensation claims, arising out of or in connection with the use or occupancy of the leasehold by the lessee or by any other person holding under the lessee, or at the lessee's sufferance or invitation; and from any accident or fire on the leasehold; and from any nuisance made or suffered on the leasehold; and from any



SAMPLE

failure by the lessee to keep the leasehold in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and from any assignment, sublease, or conveyance, attempted or successful, by the lessee of all or any portion of the leasehold or interest therein contrary to the covenants and conditions of this lease. The lessee holds all goods, materials, furniture, fixtures, equipment, machinery, and other property whatsoever on the parcel at the sole risk of the lessee, and shall defend, indemnify and hold the lessor harmless from any claim of loss or damage by any cause whatsoever, including claims by third parties.

24. Insurance. If required by the lessor, the lessee shall obtain insurance in an amount determined by the lessor to be sufficient. The lessor shall be named as an additional insured party of any such insurance. The types and amount of insurance shall be specified in the attached stipulations made a part of this lease agreement and may be adjusted periodically. The lessee shall maintain that insurance as long as required by the lessor. Any insurance acquired by the lessee for the purpose of providing insurance coverage under this lease must be issued by an insurer authorized to do business in the State of Alaska under the provisions of AS 21.09.010 and AS 21.27.010 for the type of policy being written.

25. Bonding. If required by the lessor, the lessee shall furnish a bond, cash deposit, certificate of deposit, or other form of security acceptable to the lessor in an amount determined by the lessor to be sufficient to ensure faithful performance of the covenants and conditions of this lease, and to cover the cost of site cleanup and restoration and any associated costs after termination of the lease. The amount and conditions of the bond shall be specified in the attached stipulations made a part of this lease agreement. The lessee shall maintain the bond as long as the lessor deems necessary, and in the amount required by the lessor, which amount may be adjusted periodically.

26. Environmental Compliance. (a) The lessee shall, at the lessee's own expense, comply with all existing and hereafter enacted environmental responsibility laws ("Environmental Laws"). The lessee shall, at the lessee's own expense, make all submissions to, provide all information to, and comply with all requirements of the appropriate governmental authority (the "Authority") under the Environmental Laws.

(b) Should the Authority require that a remedial action plan be prepared and that a remedial action be undertaken because of the presence of, or any disposal, release, spill, or discharge, or threatened disposal, release, spill, or discharge of or contamination by hazardous materials at the leasehold that occurs during the term of this lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease, then the lessee shall, at the lessee's own expense, prepare and submit the required plans and financial assurances and carry out the approved plans. The lessee's obligations under this section shall arise if there is any event or occurrence at the leasehold during the term of this lease, or arising out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease, that requires compliance with the Environmental Laws.

(c) At no expense to the lessor, the lessee shall promptly provide all information requested by the lessor for preparation of affidavits or other documents required by the lessor to determine the applicability of the Environmental Laws to the leasehold, and shall sign the affidavits promptly when requested to do so by the lessor.

(d) The lessee shall indemnify, defend, and hold harmless the lessor from all fines, penalties, suits, judgements, procedures, claims, demands, liabilities, settlements, and actions of any kind arising out of or in any way connected with the presence of or any disposal, release, spill, or discharge or any threatened disposal, release, spill, or discharge of or contamination by hazardous materials at the leasehold that occurs during the term of the lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease; and from all fines, penalties, suits, judgements, procedures, claims, demands, liabilities, settlements, and actions of any kind arising out of the lessee's failure to provide all information, make all submissions, and take all steps required by the Authority under the Environmental Laws or any other law concerning any spill, discharge, or contamination that occurs during the term of this lease or arises out of or in connection with the lessee's use or occupancy of the land described in section 1 of this lease.

SAMPLE

(e) The lessee agrees that it will not discharge or dispose of or suffer the discharge or disposal of any petroleum products, gasoline, hazardous chemicals, or hazardous materials into the atmosphere, ground, wastewater disposal system, sewer system, or any body of water.

(f) In any court action or administrative proceeding, in addition to all other applicable presumptions, it shall be rebuttably presumed that any environmental contamination of the leasehold (i) has been released on the leasehold; (ii) has resulted from acts or omissions of the lessee or its agents; and (iii) has occurred during the term of this lease. The lessee has the burden of rebutting the presumptions by clear and convincing evidence.

(g) This section of this lease does not in any way alter the State of Alaska's powers and rights or the lessee's duties and liabilities under Title 46 (or its successor) of the Alaska Statutes or other state, federal, or municipal statutes, regulations, or ordinances. For example, notwithstanding the provisions of this lease, the State of Alaska shall not be precluded from claiming under AS 46.03.822 that the lessee is strictly liable, jointly and severally, for damages and costs incurred by the state for clean up of contamination on the leasehold. The obligations and provisions of this section 26 shall survive the termination of this lease.

(h) As used in this lease, the term "hazardous materials" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any municipal governmental authority, the State of Alaska, or the United States government.

27. Surrender of Leasehold. Upon the expiration, termination, or cancellation of this lease, the lessee shall peacefully leave and deliver up all of the leasehold in good, sanitary, and marketable condition, order, and repair.

28. Notices. (a) Any notice or demand by the lessee will be made by hand delivery to the Director, Division of Mining, Land and Water, or by certified mail, postage prepaid, addressed as follows (or to a new address that the lessor designates in writing), with delivery occurring upon receipt by the lessor:

To the Lessor:

Division of Mining, Land and Water
550 W. 7th Avenue, Suite 900C
Anchorage, Alaska 99501-3577

(b) Any notice or demand by the lessor will be issued as provided in 11 AAC 02.040(c). If issuance is by mail, the notice or demand will be addressed as follows (or to a new address that the lessee or its successor in interest designates in writing):

To the Lessee:

**LESSEE**
**ADDRESS**
**CITY, STATE ZIP**

The lessor will issue a copy of any such notice or demand to each holder of a security interest in the leasehold whose assignment has been approved by the lessor under section 6 of this lease. Any security interest not approved as provided in section 6 is insufficient to require notice by the lessor under AS 38.05.103.

(c) Any notice or demand regarding the lease must be in writing and will be complete if given as set out above.

29. Penalty Charges. The lessee shall pay a fee for any late payment or returned check issued by the lessee as follows:

(1) Late Payment Penalty: The greater of either the fee specified in 11 AAC 05.010 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 lessor. Acceptance of

SAMPLE

a late payment or of a service charge for a late payment is subject to the lessor's rights under sections 20 and 21 of this lease.

(2) Returned Check Penalty: A returned check fee as provided in 11 AAC 05.010 will be assessed for any check on which the bank refuses payment. If the bank refuses payment, the default termination date remains the same. Late penalties under subsection (1) of this section shall continue to accumulate.

30. Modification. This lease may be modified or amended only by a document signed by both parties. Any purported amendment or modification has no legal effect until placed in writing and signed by both parties.

31. Choice of Law. This lease shall be construed under the laws of the State of Alaska. The lessee confers personal jurisdiction on the courts of the State of Alaska for any litigation under this lease.

32. Severability of Clauses of Lease Agreement. If any clause or provision of this lease is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the lessor and the lessee agree that the remainder of this lease will not be affected, and in lieu of each clause or provision of this lease that is illegal, invalid, or unenforceable, there will be added as a part of this lease a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, legal, valid, and enforceable.

SAMPLE

# Attachment B
# Sample Lease Agreement

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

LESSEE:

_____

**LESSEE**

LESSOR:

_____

**FIRST LAST, Regional Manager**
**Southcentral Regional Land Office**

**STATE OF ALASKA )**
**) ss.**
**_____Judicial District )**

THIS IS TO CERTIFY THAT ON THIS _____ day of _____, _____, before me personally appeared _____, known to me to be the person named and who signed the foregoing lease and acknowledged voluntarily signing the same.

_____
Notary Public in and for the State of Alaska
My commission expires:_____

**STATE OF ALASKA )**
**) ss.**
**Third Judicial District )**

THIS IS TO CERTIFY THAT ON THIS _____ day of _____, _____, before me personally appeared _____, of the Division of Mining, Land and Water of the Department of Natural Resources of the State of Alaska, who executed the foregoing lease on behalf of the State of Alaska, and who is fully authorized by the State to do so.

_____
Notary Public in and for the State of Alaska
My commission expires: _____

Approved as to form February 9, 1994, and September 25, 2001.

_____
/s/ Elizabeth J. Barry, Assistant Attorney General

**Recorder's Office: Return the recorded document to:**
DNR DMLW, SCRO
ATTN: Leiana Cox
550 W 7th Ave., Suite 900C
Anchorage AK, 99501

SAMPLE

# Attachment C
# Sample Additional Stipulations

1. **Authorized Officer:** The Authorized Officer (AO) for the State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), is the Regional Manager or designee.

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

3. **Valid Existing Rights:** This authorization is subject to all valid existing rights and reservations in and to the authorized area. The State makes no representations or warranties, whatsoever, either expressed or implied, as to the existence, number, or nature of such valid existing rights.

4. **Change of Contact Information**: The Lessee shall maintain current contact information with the AO. Any change of contact information must be submitted in writing to the AO.

5. **Request for Information:** The AO, at any time, may require the Lessee to provide any information directly or indirectly related to this authorization, in a manner prescribed by the AO.

6. **Compliance with Government Requirements:** The Lessee shall, at its expense, comply with all federal, state, and local laws, regulations, and ordinances directly or indirectly related to this authorization. The Lessee shall ensure compliance by its employees, agents, contractors, subcontractors, licensees, or invitees.

7. **Development Plan:** Development shall be limited to the authorized area and improvements specified in the approved development plan or subsequent modifications approved by the AO. The Lessee is responsible for accurately siting development and operations within the authorized area. Any proposed revisions to the development plan must be approved in writing by the AO before the change in use or development occurs.

8. **Penalty Charges: Late Payment Penalty Charges**: The Lessee shall pay a fee for any late payment. The amount is the greater of either $50.00 or interest accrued daily at the rate of 10.5% per annum and will be assessed on each past-due payment until paid in full.
   **Returned Check Penalty**: A returned check penalty of $50.00 will be charged for any check on which the bank refuses payment. Late payment penalties shall continue to accrue.

9. **Visitor Day Use Fee:** All commercial recreation authorizations are subject to a "Visitor Day" fee. As defined in 11 AAC 96.250(18), Visitor Day means "all or any part of a calendar day during which a commercial recreation client is present, with each client representing a separate visitor day if multiple clients are present at any time during a calendar day." This fee, as established in 11 AAC 05.180(d)(2)(D) or (G), is collected once a year and due on the same day as the annual fee.

10. **Assignment:** Stipulation 6 of the Lease Agreement is hereby amended to include the following: In the event the Lessee desires to transfer their interest in the lease to another party

SAMPLE

the Lessee shall submit to the AO a request for assignment and a copy of a draft agreement which identifies the provisions of the assignment between the parties. The AO reserves the right to require/renegotiate new terms or conditions for the lease prior to approving any assignment. The AO reserves the right to require an assignment between the Lessee and another party in the event of a change in corporate ownership, LLC/LLP membership or name change involving the leased site.

11. **Performance Guaranty:** Per section 25 of the Lease agreement: The Lessee previously posted a performance guaranty in the amount of **$X,XXX.00** to secure faithful performance with all terms and conditions of the Lease and to insure site restoration of the leasehold. This performance guaranty must remain in effect for the duration of the Lease term or until released in writing by the AO. Failure by the Lessee to provide replacement security shall be grounds for the AO to make a claim upon the existing security to protect the Lessor's interests.

12. **Insurance:** The Lessee shall secure or purchase at its own expense, and maintain in force at all times during the term of this contract, liability coverages 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 AO prior to the issuance of this lease and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. The Lessee must provide for a 60-day prior notice to the AO 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 lease and shall be grounds, at the option of the AO, for termination of the lease. 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 of Alaska must be named as an additional named insured on the policy.

13. **Specific Land Use:** Stipulation 4 of the Lease Agreement is hereby amended to include the following: This lease is issued for a specific use and land classification, use of the area for purposes other than those specified constitutes a breach of the lease agreement and may result in revocation. The lease may be terminated upon a finding by the AO that the land or a part of it has not been used by the Lessee for the purpose specified in the lease for a period of two years. The lease cannot be assigned or subleased except with the consent of the AO. A Lessee may not change the use specified in the lease to another or additional use except with the consent of the AO. Any attempts to depart from these conditions without the consent of the AO will cause the lease to be automatically terminated.

14. **Concurrent Usage:** The AO reserves the right to grant additional authorizations to third parties for compatible uses on or adjacent to the land covered under this authorization. Authorized users of state land, their agents, employees, contractors, subcontractors and licensees shall not interfere with the operation or maintenance activities of other authorized concurrent users. Any future concurrent permit, lease or sub-lease will be subject to the



SAMPLE

conditions and stipulations contained in the lease, including the additional collection of fees or rents by the AO from any subordinate Lessee or Sublessee.

15. **Subleasing**: The AO reserves the right to require an additional annual compensation as a condition of a sublease approval. Said increase shall be determined by negotiation between the Lessee and AO but shall not be less than 25% of all compensation paid annually to the Lessee by the Sublessee. Neither the terms of this sublease provision nor any actual compensation derived from a sublease shall have any effect upon a determination of the annual lease fee for the lease parcel pertaining to AS 38.05.075(a) or its appraised market value pertaining to AS 38.05.840. Sublease shall be defined to include any lease, rental, storage, or accommodation agreement between the Lessee and another individual, business or corporation utilizing or benefiting from the lease parcel. Sublessee shall be defined to mean any individual or business entity executing an agreement, as above, with the Lessee. The amount of sublease compensation shall be subject to change at the same time as the lease compensation adjustment and whenever the terms or conditions of the agreement between the Lessee and Sublessee change. Approval of a sublease shall also be conditioned upon:

    a) The Lessee is in full compliance with lease conditions and is in good standing with all other authorization per 11 AAC 96.145;

    b) Sublessee must meet the statutory requirement of the Lease;

    c) Submission by the Lessee of a draft copy of the agreement(s) which will govern the relationship and compensation provisions between the Lessee and the Sub-Lessee;

    d) Submission by the Lessee of a proposed plan of operations and development for the subleased area and, if necessary, an amended plan of operations and development for the entire lease area; and

    e) A Lessor best interest finding and amendments to the lease contract as necessary, if significant changes to the use and development are proposed.

16. **Alaska Historic Preservation Act:** Under the Alaska Historic Preservation Act, AS 41.35.200, it is unlawful to appropriate, excavate, remove, injure, or destroy any historic, prehistoric, or archaeological resources of the State without a permit from the DNR Commissioner. Should any such resources or sites be discovered, the lessee shall cease any activities that may cause damage and immediately contact the AO and the Office of History and Archaeology in DNR's Division of Parks and Recreation.

17. **Inspections:** Stipulation 13 of the Lease Agreement is hereby amended to include the following: The AO shall have reasonable access to the authorized area for inspection, which may be conducted without prior notice. If the lessee is found to be in noncompliance the authorized area may be subject to reinspection. The lessee may be charged for actual expenses of any inspection or the fee in 11 AAC 05.160.

SAMPLE

# Attachment C
# Sample Additional Stipulations

18. **Incurred Expenses:** The Lessor shall in no way be held liable for expenses incurred by the Lessee connected with the activities directly or indirectly related to this authorization.

19. **Public Access:** The construction, operation, use, and maintenance of the authorized area shall not interfere with public use of roads, trails, waters, landing areas, and public access easements. The ability to use or access state land or public waters may not be restricted in any manner. However, if a specific activity poses a safety concern, the AO may allow the restriction of public access for a specific period of time. The Lessee is required to contact the AO in advance for approval. No restriction is allowed unless specifically authorized in writing by the AO.

20. **Site and Improvements Maintenance:** The authorized area shall be maintained in a neat, clean, and safe condition, free of any solid waste, debris, or litter, except as specifically authorized. The Lessor is not responsible for maintenance of authorized improvements or liable for injuries or damages related to those improvements. No action or inaction of the Lessor is to be construed as assumption of responsibility.

21. **Site Disturbance:** Stipulation 4 of the Lease Agreement is hereby amended to include the following:

    a) Site disturbance shall be kept to a minimum to protect local habitats. All activities at the site shall be conducted in a manner that will minimize the disturbance of soil and vegetation and changes in the character of natural drainage systems. Any ground disturbances that may occur shall be contoured to blend with the natural topography to protect human and wildlife health and safety. Particular attention must be paid to preventing pollution and siltation of any waterways and to preventing disturbances to fish and wildlife populations and habitats.

    b) Brush clearing is allowed only to the extent necessary to maintain the present development. The Lessee may use dead timber that is down. The Lessee shall not cut standing timber within the leased area unless specifically authorized by DNR's Division of Forestry.

    The removal of vegetation shall be kept to a minimum and areas requiring disturbance should be seeded or planted as soon as possible after disturbance. To the extent possible, associated vegetation should be left intact to enhance stability, control erosion and enhance scenic qualities.

22. **Hazardous Substances, Explosives:**

    a) No storage of hazardous material/substances or explosives is authorized within the leased area.

SAMPLE

b) The use of hazardous substances or explosives must be done in accordance with existing federal, state and local laws, regulations and ordinances. Debris (including soil) contaminated with used motor oil, solvents, or other chemicals may be classified as a hazardous substance and must be removed from the sites and managed and disposed of in accordance with state, federal and local laws, statutes and regulations.

23. **Proper Location:** This authorization is for activities on state lands or interests managed by DMLW. It does not authorize any activities on private, federal, native, or municipal lands, or lands which are owned or solely managed by other offices and agencies of the State of Alaska. The Lessee is responsible for proper location within the authorized area.

24. **Moving or Damaging Markers:** The Lessee shall protect all survey monuments, witness corners, reference monuments, mining claim posts, bearing trees, and unsurveyed corner posts against relocation, damage, destruction, or obliteration. The Lessee shall notify the AO of any relocated, damaged, destroyed, or obliterated markers and shall reestablish the markers at the lessee's expense in accordance with accepted survey practices of the DMLW.

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

26. **Notification of Discharge:** The Grantee shall immediately notify the Department of Environmental Conservation (DEC) and AO of any unauthorized discharge of any amount of oil to water, a discharge of any amount of a 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 must be made to DEC online at ReportSpills.alaska.gov or by phone at 1-800-478-9300.
Notification of discharge must be made to the appropriate DNR Office, preferably by e-mail: Anchorage email dnr.scro.spill@alaska.gov, (907) 269-8528; Fairbanks email dnr.nro.spill@alaska.gov, (907) 451-2739; Juneau email dnr.sero.spill@alaska.gov, (907) 465-3513. The Grantee shall supply the AO with all incident reports submitted to DEC.

SAMPLE

# Attachment C
# Sample Additional Stipulations

27. **Waste disposal:** On-site refuse disposal is prohibited, unless specifically authorized. All waste generated during operation, maintenance, and termination activities under this authorization shall be removed and disposed of at an off-site ADEC approved disposal facility. Waste, in this paragraph, means all discarded matter, including but not limited to human waste, trash, garbage, refuse, oil drums, petroleum products, ashes and discarded equipment.

28. **Fire Prevention, Protection and Liability:** The Lessee shall take all reasonable precautions to prevent and suppress forest, structure, brush and grass fires, and shall assume full liability for any damage to state land and structures resulting from the negligent use of fire. The State is not liable for damage to the Lessee's personal property. To report a wildfire, call 911 or 1-800-237-3633.

29. **Waiver of Forbearance:** Any failure on the part of the AO to enforce the terms of this authorization, or the waiver of any right under this authorization by the Lessee, unless in writing, shall not discharge or invalidate the authorization of such terms. No forbearance or written waiver affects the right of the AO to enforce any terms in the event of any subsequent violations of terms of this authorization.

    The receipt of compensation by the AO, with or without knowledge of any default on the part of the Lessee, is not a waiver of any provision of this authorization. The receipt of compensation by the AO after termination or any notice of termination will not reinstate, continue, or extend this authorization, or destroy or in any manner impair the validity of any notice of termination, unless specifically stated by the AO in writing.

30. **Severability Clause:** If any clause or provision of this authorization is, in a final judicial proceeding, determined illegal, invalid, or unenforceable under present or future laws, then the grantor and the Lessee agree that the remainder of this authorization will not be affected, and in lieu of each clause or provision of this authorization that is illegal, invalid, or unenforceable, there will be added as a part of this authorization a clause or provision as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible, to be legal, valid, and enforceable.

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

    a) A request for a new lease, and/or

    b) A reclamation plan for the leasehold lands, which must be approved in writing by the AO. The Lessee is responsible for site reclamation within the leasehold.

        The reclamation plan must include a description of the methods and techniques that the Lessee will use to rehabilitate all sites affected by construction and intensive use activities. Under the lease, the Lessee retains all ownership rights to site improvements. In the plan, the Lessee shall describe its intention to remove

SAMPLE

improvements. The plan must also include a schedule that sets forth the steps required for surface rehabilitation, and a specific time line showing when the Lessee will accomplish each step.

32. **Violations:** Pursuant to 11 AAC 96.145, the Lessee must be in compliance with provisions of this and other authorizations granted under AS 38.05 or 11 AAC 96 before a new authorization may be granted by DMLW.

33. **Lease Termination**: This lease authorization may be terminated upon violation of any of its terms, conditions, stipulations or upon failure to comply with any applicable laws, statutes and regulations (state and federal).

34. **Lease Utilization**: Per 11 AAC 58.510, leases must be utilized for purposes within the scope of the lease and the land classification. Utilization or development for other than the allowed uses or failure to substantially utilize or develop the lease is a violation of the lease. A development plan may be required on all leases. Failure to make substantial use of the land, consistent with the development plan, within five years, will, in the director's discretion, constitute grounds for cancellation.

35. **Agents:** The lease provisions and stipulations apply with equal force upon an agent, employee, contractor or subcontractor designated by the Lessee to perform any lease or lease-related operations. The Lessee is liable for noncompliance caused by any such agent, employee, contractor, or subcontractor.

36. **Additional Authorizations or Permits:** If activities other than those authorized by the lease provisions and stipulations are needed, additional written authorizations or permits and their associated additional fees may be required.

37. **Access and Road Construction:** The Lessee is responsible for providing access to the leasehold. Before constructing any road across state land, the Lessee shall obtain prior approval and authorization from DMLW for the location and construction standards of the road.

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