

**School Trust Land Exchange Scoping Package
Superior National Forest**

I. Introduction

This scoping information documents a proposed land exchange between the Forest Service, U.S. Department of Agriculture and the Minnesota Department of Natural Resources acting on behalf of the State of Minnesota and as trustee of Permanent School lands.

This scoping package explains the Proposed Action and Purpose and Need. This package is being sent to adjacent landowners, and others who have an interest in how this area is managed. The reasons for distributing the scoping package are to inform the public of the Proposed Action and to provide people with an opportunity to submit comments.

II. Background Information

Development of the Proposal:

The State of Minnesota and the Superior National Forest are working together on a mutually beneficial strategy to transfer ownership of approximately 83,000 acres of School Trust lands, located within the Boundary Waters Canoe Area Wilderness (BWCAW), to federal ownership as part of a combined purchase and land exchange. The State's mandate for School Trust lands is to manage them on behalf of the Permanent School Trust Fund to support public education. Recent legislation clarified that when there is an irrevocable conflict between economic gain and the natural resource, the Minnesota Department of Natural Resources (DNR) is required to give precedence to long-term economic return. In the BWCAW, this mandate directly contradicts the wilderness laws and regulations implemented by the Forest Service. The intent of this School Trust-BWCAW project is to convey lands without wilderness restrictions to the State so that it may fulfill its mandate on School Trust lands. At the same time, the Forest Service would consolidate ownership within the BWCAW to protect the wilderness resource.

For more information about School Trust land management, see http://dnr.state.mn.us/aboutdnr/school_lands/index.html

The controversy over the School Trust lands within the BWCAW is more than 40 years old. After numerous attempts to resolve it, we are finally on a course to positively address the controversy. Beginning in 2010, the Minnesota Legislature's Permanent School Trust Fund Advisory Committee appointed a working group with a cross-section of interested stakeholders to develop a strategy to meet the land management goals of both the State and Forest Service. An important outcome of this collaborative process was legislation signed by the Governor of Minnesota on April 27, 2012, to expedite a land exchange between the federal government and the State, as well as to give the State authority to sell School Trust lands within the BWCAW to the United States (Minn. Stat. 92.80 and 92.82). This legislation also identified a priority area which is displayed on the Forest-wide map identifying parcels proposed for exchange (this map is posted on the School Trust Land Exchange project webpage under www.fs.usda.gov/goto/superior/projects).

In a letter dated August 22, 2012, the DNR formally proposed a land exchange consistent with the collaborative framework and legislation. The initial phase of the project would exchange one-third of state-offered lands in the BWCAW, approximately 30,000 acres, for an equal value of federal lands to be selected from a pool of approximately 39,074.65 acres. Candidate federal

parcels were identified by the working group during the collaborative process. The overall project goal includes purchasing the remaining two-thirds of School Trust lands in the BWCAW.

A feasibility analysis of the proposed action was conducted. In that screening process, an interdisciplinary team of Forest Service specialists reviewed federal parcels that could potentially be exchanged and made recommendations on which parcels should be included as candidates, which to drop from the exchange, and which parcels required further evaluation. Several parcels were dropped from the land list at the recommendation of the Forest Service interdisciplinary team; thereby avoiding several potential resource effects which might occur under School Trust management. Specifically, several federal parcels in shoreline areas which could be considered desirable for development were dropped from the exchange. This avoids the potential for the exchanged land to be sold for private development as residential or commercial uses as a part of School Trust land management. Several parcels were also dropped following initial tribal consultation.

The following information summarizes findings made during the screening process:

- The project generally meets guidelines in the Superior National Forest Land and Resource Management Plan (Forest Plan).
- The project would preserve wetland functions with no net loss to the Federal estate in compliance with Executive Order 11990.
- The project would not increase flood hazards to the non-Federal estate in compliance with Executive Order 11988.
- Some candidate federal parcels contain habitat for species listed as threatened in the Endangered Species Act. The environmental analysis will require biological evaluations and consultation with the US Fish & Wildlife Service.
- Section 106 responsibility pursuant to the National Historic Preservation Act may potentially be transferred to the State with a Programmatic Agreement on the federal parcels.
- The United States intends to retain federal minerals rights. About 150 of the federal parcels include mineral rights – mineral ownership on all other federal parcels is already severed.
- The State must reserve mineral rights on School Trust lands pursuant to the State of Minnesota Constitution Article XI Section 10. A Mineral Character Determination (MCD) identifies the mineral resource potential of the School Trust lands (see project webpage for the State report and a map of the MCD). The United States will acquire lands without also acquiring the subsurface mineral rights only when the reserved minerals have low mineral resource potential.
- Given the number of parcels identified as candidates, the exchange can be structured with enough flexibility to accommodate the requirement that the value of the nonfederal land is within 25% of the value of the federal land, as required by 36 CFR 254.12. To determine equal value of federal and nonfederal lands, appraisals will be conducted in conformance with the *Uniform Standards of Professional Appraisal Practice (USPAP)* and *Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA)*.
- The project would not change total acres of publicly owned land. Until equal values are established, we will not know whether there would be a net increase or decrease in acres

of federal land.

- Nonfederal lands would be screened in accordance with ASTM Standard 1527-13 to avoid acquisition of contaminated property.

Current Use of Lands:

Federal Lands:

The majority of the federal parcels are located within the General Forest and General Forest-Longer Rotation Forest Plan Management Areas (MAs). These MAs emphasize land and resource conditions that provide a wide variety of goods, uses and services across the forest. Approximately 7,800 acres (19%) of the federal parcels fall within the Recreation Use in a Scenic Landscape and Semi-Primitive Motorized Recreation MAs. The management emphasis of these two areas is primarily recreation, but other uses, including timber management, occur. Conveyances of federal lands are allowed in these management areas.

There are several complex special use permits and easements located on some of the federal parcels proposed. Many of these permits and easements involve both short and long-term authorizations for roads and trails, phone lines, electrical lines, fiber optics, and a county canister transfer station. These permits are located across the Forest and are administered by five ranger districts.

Nonfederal Lands:

The BWCAW is an internationally renowned wilderness area encompassing over 1 million acres within the Superior National Forest (SNF). The nonfederal parcels are widely scattered, noncontiguous lands within the BWCAW distributed throughout Cook, Lake and St. Louis Counties. Because of the location of the nonfederal parcels, they have not been actively managed by the State and as such take on the characteristics of the surrounding wilderness. The nonfederal parcels are within the four MAs comprising the BWCAW: Pristine, Primitive, Semi-Primitive Non-Motorized and Semi Primitive Motorized MAs. The wilderness resource is managed to retain its enduring value, for uses and activities compatible with wilderness character.

Future Use of Exchanged Lands:

Federal Lands:

The State School Trust Parcels would become Minnesota DNR Forestry Administered lands managed to generate revenue for the Trust Fund. The Minnesota DNR's strategic management direction includes a comprehensive landscape approach to manage state lands for the benefit of all Minnesotans while enhancing the integrity of land and water across ownerships. The State's land management provides a wide variety of goods, uses and services similar to Forest Service management.

The State would continue to allow activities that are currently authorized by special use permits. Nonfederal uses may continue under State jurisdiction by permit, easement or lease administered by MN DNR.

Nonfederal Lands:

The State lands are widely scattered, noncontiguous lands distributed throughout the BWCAW. Because of the location of these lands, they are not actively managed by the State and as such take on the characteristics of the surrounding wilderness. The Forest Service would manage these parcels in a manner that perpetuates and protects its natural ecosystems, provide an enduring wilderness resource for future generations, and provide opportunities for a primitive and unconfined recreation experience.

The environmental analysis document to be released after comments on this scoping package are received will disclose the environmental effects of the reasonably foreseeable future use of exchanged lands.

III. Project Location

Maps of the proposed action may be found on the Forest Service web page at www.fs.usda.gov/goto/superior/projects under the School Trust Land Exchange webpage. There is a Forest-wide map showing all of the parcels proposed for exchange and more detailed maps of the federal lands.

The federal lands consist of 984 parcels totaling approximately 39,074.65 acres scattered throughout Cook, Lake and Saint Louis Counties outside the BWCAW. A land list of federal land is shown in Appendix A. The list is not in priority order. Priority will be established as part of the environmental analysis; if all lands are not needed to equal the value of the State lands, the lowest priority parcel(s) will be dropped from the exchange.

The nonfederal lands are owned by the State of Minnesota's trustee of Permanent School Lands. The State lands consist of 830 parcels totaling approximately 30,000 acres, are widely scattered, noncontiguous lands distributed throughout the Boundary Waters Canoe Area Wilderness (BWCAW). Some of these lands are easily accessible by water and portages, other more remote parcels have no water, trail or portage access. There are no structures or developed campsites associated with any of the state lands though some of these lands could be used by the occasional camper. A land list of candidate state parcels is shown in Appendix B. This list will be reduced to approximately 30,000 acres through the environmental analysis.

IV. Purpose and Need for the Proposed Action

The purpose and need for the land exchange is:

- The Superior National Forest would acquire land with outstanding wilderness/scenic/recreational opportunities, which will consolidate ownership and eliminate the risk of development or uses incompatible with wilderness values and management. This exchange is part of the long term strategy for acquiring all county and state lands in the BWCAW to resolve the long standing issue of wilderness restrictions limiting use of nonfederal lands. The acquisition of these lands is considered Priority 1 under Forest Plan Guideline G-LA-2 (p. 2-51).
- The exchange would meet Forest Plan Land Adjustment Goal G-LA-5 (p. 2-52) for acquisition of Minnesota State School Trust Lands in the BWCAW through land exchange.
- This exchange has the potential to reduce and/or eliminate over 30 complex special use permits/easements reducing the cost of special use permit administration on the forest.

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The authorized activities would continue but would be managed by the State. This would meet the intent of Forest Plan Guideline G-LA-3(e) (p. 2-52).

- The conveyance of Federal land would reduce boundary management and landline costs. Federal parcels proposed for exchange were specifically identified to consolidate federal and state ownership patterns. This would meet the intent of Forest Plan Guideline G-LA-3(d) (p. 2-52).
- The land conveyed would allow the State to actively manage lands outside the wilderness to generate revenue to benefit the MN public school system. The State would manage the conveyed land to provide for a wide variety of goods, uses and services similar to management under federal ownership. This would meet the intent of Forest Plan Guideline G-LA-3(b) (p. 2-52).

Forest Service Strategic Plan Goals

The proposed exchange meets five of the seven “USDA Forest Service Strategic Plan FY 2007-2012 Goals.”

Goal Two: Provide and sustain benefits to the American people (Outcome: Forests and grasslands with sufficient long-term multiple socioeconomic benefits to meet the needs of society.) This proposed exchange promotes the objective of providing access to natural resources to meet the nation’s economic, social and environmental needs. MN DNR’s economic, social and environmental needs include managing the Trust parcels for long term economic return to generate revenue into the School Trust Fund. Revenue would be generated through timber, recreation and surface development. The federal lands proposed for exchange have the capacity to meet those needs. The nonfederal parcels in the BWCAW do not.

Goal Three: Conserve Open Space (Outcome: Maintain the environmental, social, and economic benefits of forest and grasslands by reducing and mitigating their conversion to other uses.) Strategies for attaining this goal include acquiring through purchase, donation, or land exchange, those tracts of nonfederal land that are critical for providing public benefits on adjacent federal ownership. Acquisition of the nonfederal lands would consolidate land ownership and improve management effectiveness within the congressionally designated BWCAW, as well as prevent conversion to uses that conflict with wilderness values. Conveyed lands would be managed by the State according to School Trust Fund objectives and MN DNR plans and rules.

Goal Four: Sustain and Enhance Outdoor Recreation Opportunities: (Outcome: A variety of high-quality outdoor recreational opportunities on the Nation’s forests and grasslands are available to the public). Acquiring lands within the BWCAW enhances outdoor recreation experiences by eliminating the threat of conversion to uses incompatible with wilderness values. In addition, conveying federal lands outside the BWCAW to another public entity means opportunities for public recreation are not lost.

Goal Five: Maintain Basic Management Capabilities of the Forest Service (Outcome: Administrative facilities, information systems, and landownership management with the capacity to support a wide range of natural resource challenges.) State and federal lands will be consolidated, providing more consistent ownership patterns that improve management effectiveness and eliminate conflicts. Consolidation reduces the costs of administering boundaries and eliminates the need for easements, other access permits or other special uses. The State plans to manage the land similarly to existing federal management for timber production,

recreation, gravel, and other surface management uses. At the same time, the exchange eliminates the risk of nonfederal lands in the BWCAW being managed for uses inconsistent with wilderness values, simplifying wilderness management and affording protection to the environment of the BWCAW.

Goal Six: Engage Urban America with Forest Service Programs (Outcome: Broader access by Americans to the long-term environmental, social, economic, and other types of benefits provided by the Forest Service.) The BWCAW serves as a base for many urban educational programs. The Superior National Forest works closely with the Forest Service Urban Connections program in the Twin Cities. Urban Connections (UC) is an urban outreach program of the Eastern Region of the Forest Service that works with urban leaders, other agencies and volunteers to help connect people to their National Forests. Many camps, churches, and educational organizations that operate and/or visit this area target urban populations, especially young people. To name just a few of many: Big City Mountaineering, Voyageur Outward Bound, and Camp Victory. Most organizations doing wilderness trips are enrolled in our Outfitter Guide program and some are also in our Cooperator program providing wilderness education to their participants. Forest Service staff members are included in staff training for the Boy Scouts, Girl Scouts, and a private camp every year providing Leave No Trace, fire ecology, invasive species, and other educational programs. Urban volunteers serve on trail-clearing crews supervised by Forest Service staff; urban boy scout troops connect with Forest Service staff to arrange service projects. Forest Service staff speak to college and other groups about careers in the Forest Service. Uniformed staffs provide wilderness education, general forest information, and issue wilderness permits to thousands of visitors every year—the majority of whom are from urban areas.

V. Proposed Action

The Forest Service proposes to exchange federal lands of equal value from a pool of approximately 39,074.65 acres for approximately 30,000 acres of State lands. The land list (Appendix A) for the federal lands is not listed in priority order. Maps of the federal lands are shown on the School Trust Land Exchange webpage. The final acres to be exchanged would reflect equal market values based on an appraisal compliant with federal standards. The possibility that all of the federal land will be necessary or that the federal land list will be inadequate is relatively low.

The land list for the candidate state lands is shown at Appendix B and state lands are shown on the Forest-wide project map on the School Trust Land Exchange webpage.

The Forest Service would also transfer authority and administration of special use permits located within the federal parcels to the Minnesota DNR. Many of these permits and easements involve both short and long-term authorizations for roads and trails, phone lines, electrical lines, fiber optics, and a county canister transfer station. These permits are located across the Forest and are administered by five ranger districts. See Appendix C for a list of the affected permits.

The State Constitution requires the State to reserve mineral rights in an exchange of School Trust lands. (Minn. Const. Art. XI Section 10.) The United States would reserve mineral rights on the 150 parcels where federal minerals occur. A split estate would be eliminated on the other federal parcels where mineral rights are already severed.

VI. Decisions to be Made

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Chip Weber, Acting Forest Supervisor, Superior National Forest, is the Responsible Official for the School Trust Land Exchange project. The decisions to be made include:

- ✓ Which actions, if any, will be approved?
- ✓ Will the project have a significant impact that would lead to preparation of an Environmental Impact Statement?

A draft decision is expected by April 2016. Implementation would begin August 2016.

VII. Summary of the Environmental Analysis Process

The School Trust Land Exchange interdisciplinary team of resource specialists will prepare the environmental analysis using the following steps. The team includes a wildlife biologist, hydrologist, geologist, recreation specialist, and others as needed.

Step 1: The scoping package, which explains the Proposed Action, is sent to the public, adjacent landowners, and others who have an interest in how the Project Area is managed. The purpose of the scoping package is to inform the public and to provide an opportunity for them to submit comments on the proposal.

Step 2: The interdisciplinary team will evaluate the comments received on the scoping package and identify environmental issues to study in an environmental analysis document. The issues will be used to develop management alternatives to the Proposed Action and to disclose the effects of the actions of each alternative if it were chosen for implementation. This analysis will be compiled in an environmental analysis document that will be available for public review and comment on the Superior National Forest website.

Step 3: Comments received during the comment period for the environmental analysis document will be considered by the Forest Supervisor. She will document her decision in a draft decision document. The draft decision document and response to comments will be made available to parties who submit comments during the environmental document comment period and will be posted on the Superior NF website.

Step 4: Interested parties who submitted specific written comments during the scoping comment period or the environmental document comment period will have the opportunity to submit an objection to the project. The School Trust Land Exchange Project is an activity implementing a land management plan and is not authorized under the Healthy Forest Restoration Act; therefore the School Trust Land Exchange Project decision is subject to objections following Forest Service regulations at 36 CFR 218, Subparts A and B. Only individuals or organizations who submit timely and specific written comments as defined at 36 CFR 218.2 regarding the proposed project during a public comment period established by the Responsible Official are eligible to file an objection to the School Trust Land Exchange Project. The opportunity to object will be provided when a draft decision on the project is published.

VIII. How to Comment on the School Trust Land Exchange Proposed Action

Scoping comments will be used to determine issues associated with the Project, to develop alternatives to the Proposed Action, and to refine the analysis of effects.

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An issue is a point of debate, dispute, or disagreement with the anticipated effects of a Proposed Action. Issues may be used to develop management alternatives that will be analyzed in the environmental analysis document. Issues that do not drive consideration of alternatives are those that are outside the scope of the project, already decided by law, regulation, or Forest Plan, irrelevant to the decision being made, or are conjectural and not supported by scientific factual evidence.

Scoping comments are most useful if they refer to a specific action or activity rather than general management direction of the Superior National Forest. Please consider the following question when reviewing proposed activities and submitting comments:

Is there anything about the areas involved in the land exchange project that you believe the Forest Service should consider in the Environmental Analysis?

Scoping comments are most useful if received by ^{May 15} ~~April 30~~, 2015. The sender is responsible to ensure their comments are received in a timely manner and are legible. Please note that if a response is not received from you, your name will be removed from this project mailing list. The next step in the public involvement process is to release an environmental analysis document. To save resources, we will inform those who comment on the scoping document when the environmental analysis document is available on the Superior National Forest website (www.fs.usda.gov/goto/superior/projects) and will not mail you a paper copy unless you request one. All comments received (including names and addresses) will become part of the project file and will be available for public inspection, if requested. Comments submitted anonymously will be accepted and considered. Submit comments by writing, faxing, emailing, or calling to:

Chip Weber, Acting Forest Supervisor
ATTN: School Trust Land Exchange Project

- ◆ Electronic comments must be submitted in a format such as an email message, plain text (.txt), Word (.doc), portable document format (.pdf) or any software supported by Microsoft applications. Send **electronic** comments to: comments-eastern-superior@fs.fed.us
- ◆ Send **FAX** comments to: 218-626-4398
- ◆ **Oral** comments may be provided in person at the Forest Headquarters, 8:00 a.m. to 4:30 p.m., Monday through Friday or by calling 218-626-4368.
- ◆ Send **written** comments to: Chip Weber, Acting Forest Supervisor, Attn: School Trust Land Exchange, Forest Headquarters, 8901 Grand Avenue Place, Duluth, MN 55808

We will host four open houses where you can ask questions and learn more about the project. These open houses will not include a presentation or public speaking sessions with the option to have verbal comments taken down by a stenographer. The format of the open house is that Forest Service staff will be available with information and to answer questions about the project.

March 9, 2015, 4-7 pm: Gunflint Ranger Station, 2020 W. Highway 61, Grand Marais, MN 55604

March 10, 2015, 4-7 pm: Laurentian Ranger Station, 318 Forestry Road, Aurora, MN 55705

March 12, 2015, 4-7 pm: Forest Headquarters, 8901 Grand Avenue Place, Duluth, MN 55808

March 23, 2015, 4-7 pm: Kawishiwi Ranger Station, 1393 Highway 169, Ely, MN 55731