

**ALASKA MENTAL HEALTH TRUST AUTHORITY  
TRUST LAND OFFICE**

**BEST INTEREST DECISION AFFIRMED  
Icy Cape Competitive Lease Offering  
File No. 2013-42**

**Action:** Adopt the January 14, 2013 Best Interest Decision (the Decision) regarding the above referenced lease offering as final without modification. This document, combined with the January 14, 2013 Best Interest Decision, constitutes the final decision on this matter, in accordance with 11 AAC 99.040.

**Public Notice under 11 AAC 99.050.** The Trust Land Office (TLO) published the proposed decision to offer for competitive mineral leasing approximately 23,000 acres of subsurface estate in the vicinity of Icy Cape in the Anchorage Daily News on January 16, 2013. The proposal was posted on the State of Alaska Online Public Notice Webpage on January 16, 2013 for a 30 day period. The City and Borough of Yakutat and Chugach Alaska Corporation were also notified of the proposed lease offering. The public notice comment period ended on February 15, 2013.

**Public Comments.** Five comments were received before the comment deadline closed. All of the comments were opposed to the proposed lease sale. All of the comments pertained to the potential effects of the proposed action on other resource values such as sport fishing, wildlife, scenic values, and tourism, and how preserving these values would be in the best interests *of the state*. (emphasis added).

All of these objections are based upon reasoning that is more applicable to a leasing program that might occur on general state land rather than on land owned by the Alaska Mental Health Trust (The Trust), appearing to erroneously believe that the TLO is required to fulfill broader public interests in its management of Trust land. TLO decisions based upon broad public interests would clearly violate the trust management responsibilities accepted by the Territory of Alaska under the 1956 Alaska Mental Health Enabling Act, as further clarified by the 1994 Alaska Mental Health Trust litigation settlement and its associated State of Alaska legislation. Specifically, as required by 11 AAC 99.020(b), Trust land is to be managed “solely in the best interest of the Alaska Mental Health Trust and its beneficiaries.” To the extent that management solely in the best interest of the Trust results in broader public purpose outcomes, said management is allowed. However, if management for broader public purposes, such as recreational opportunities or view shed protection beyond what is required by law, results in a cost to the Trust and its beneficiaries or an abrogation of the TLO’s responsibility to maximize the benefits from a given asset to the beneficiaries, then the action is not allowed.

**Trust Authority Consultation:** The Alaska Mental Health Trust Authority was consulted on this matter on January 30, 2013.

**Final Decision:** Considering all of the above, the Executive Director of the Trust Land Office hereby determines that the competitive mineral lease offering as described in the January 14,

2013 Best Interest Decision remains in the best interest of the Trust and its beneficiaries. Accordingly, the January 14, 2013 Best Interest Decision is hereby adopted without modification.

**Reconsideration:** Persons who submitted timely written comments during the notice period that ended February 15, 2013, are eligible to request reconsideration of this final best interest decision under 11 AAC 99.060(b) within 20 calendar days after publication of the notice or receipt of the final decision, whichever is earlier. A request for reconsideration must be submitted in writing to the Executive Director. Before filing an appeal to the Superior Court under AS 44.62.560, a person must be eligible to request and must actually request reconsideration within the time specified above.

The Executive Director shall order or deny reconsideration within 20 calendar days after receiving the written request for reconsideration. If the Executive Director takes no action during the 20-day period following the request, the request is considered denied. Denial of a request for reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560.

In compliance with the Americans with Disabilities Act, the Alaska Mental Health Trust is prepared to accommodate individuals with disabilities.

Approved:



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Gregory L. Jones, Executive Director  
Alaska Mental Health Trust Land Office

February 22, 2013