

State Board of Land Commissioners Open Meeting Checklist

Meeting Date: December 20, 2022

Regular Meetings

12/7/2022	Meeting Notice posted in prominent place in IDL's Boise Director's office five (5) or more calendar days before meeting.
12/7/2022	Meeting Notice posted in prominent place in IDL's Coeur d'Alene staff office five (5) or more calendar days before meeting.
12/7/2022	Meeting Notice posted in prominent place at meeting location five (5) or more calendar days before meeting.
12/7/2022	Meeting Notice published on Townhall Idaho website https://townhall.idaho.gov five (5) or more calendar days before meeting.
12/7/2022	Meeting Notice emailed/faxed to list of media and interested citizens who have requested such notice five (5) or more calendar days before meeting.
12/7/2022	Meeting Notice posted electronically on IDL's public website https://www.idl.idaho.gov five (5) or more calendar days before meeting.
12/16/2022	Second Revised Agenda posted in prominent place in IDL's Boise Director's office forty-eight (48) hours before meeting.
12/16/2022	Second Revised Agenda posted in prominent place in IDL's Coeur d'Alene staff office forty-eight (48) hours before meeting.
12/16/2022	Second Revised Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
12/16/2022	Second Revised Agenda published on Townhall Idaho website https://townhall.idaho.gov forty-eight (48) hours before meeting.
12/16/2022	Second Revised Agenda emailed/faxed to list of media and interested citizens who have requested such notice forty-eight (48) hours before meeting.
12/16/2022	Second Revised Agenda posted electronically on IDL's public website https://www.idl.idaho.gov forty-eight (48) hours before meeting.
4/26/2022	Land Board annual meeting schedule posted – Boise Director's office, Coeur d'Alene staff office, and IDL's public website https://www.idl.idaho.gov .

Special Meetings

	Meeting Notice and Agenda posted in a prominent place in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in a prominent place in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Meeting Notice and Agenda published on Townhall Idaho website https://townhall.idaho.gov twenty-four (24) hours before meeting.
	Meeting Notice and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted electronically on IDL's public website https://www.idl.idaho.gov twenty-four (24) hours before meeting.
	Emergency situation exists – no advance Meeting Notice or Agenda needed. "Emergency" defined in Idaho Code § 74-204(2).

Executive Sessions (*If only an Executive Session will be held*)

	Meeting Notice and Agenda posted in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Meeting Notice and Agenda published on Townhall Idaho website https://townhall.idaho.gov twenty-four (24) hours before meeting.
	Meeting Notice and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted electronically on IDL's public website https://www.idl.idaho.gov twenty-four (24) hours before meeting.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.

Renee Jacobsen

Recording Secretary

December 16, 2022

Date

IDAHO DEPARTMENT OF LANDS



Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, Superintendent of Public Instruction
Dustin T. Miller, Secretary to the Board

NOTICE OF PUBLIC MEETING DECEMBER 2022

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, December 20, 2022 in the **State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho**. The meeting is scheduled to begin at 9:00 AM (Mountain).

The State Board of Land Commissioners will conduct this meeting in person and by virtual means. This meeting is open to the public. No public comment will be taken.

Meeting will be streamed live via IPTV: <https://www.idahoptv.org/shows/idahoinsession/>

Please join Land Board members and staff prior to the scheduled meeting for carols and refreshments in the State Capitol 2nd floor Rotunda at 8:30 AM

*Note: Garden Level entrances into the Capitol from 6th Street and 8th Street are closed.
Open public entrances are located on Jefferson Street and State Street.
There are first and second floor entries on the east and west sides of the Capitol.*

First Notice Posted: 12/7/2022-IDL Boise; 12/7/2022-IDL CDA

This notice is published pursuant to Idaho Code § 74-204. For additional information regarding Idaho's Open Meeting law, please see Idaho Code §§ 74-201 through 74-208.

Idaho Department of Lands, 300 N 6th Street, Suite 103, Boise ID 83702, 208.334.0242



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State Board of Land Commissioners Regular Meeting
December 20, 2022 – 9:00 AM (MT)
Second Revised Final Agenda
Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho

**The State Board of Land Commissioners will conduct this meeting in person and by virtual means.
This meeting is open to the public. No public comment will be taken.**

Meeting will be streamed live via IPTV: <https://www.idahoptv.org/shows/idahoinsession/>

***Please join us @ 8:30 AM for carols and refreshments.
Capitol Rotunda, 2nd Floor***

- 8:30 AM in the 2nd Floor Capitol Rotunda
 - Capital High School Choir
 - Big Check Presentation: Public School Endowment FY2023 Distributions
 - Refreshments

 - 9:00 AM in the Lincoln Auditorium (WW02)
 - Department of Lands' Year-in-Review Video Presentation
1. **Department Report** – *Presented by Dustin Miller, Director*
 - Trust Land Revenue**
 - A. Timber Sales – November 2022
 - B. Leases and Permits – November 2022

 2. **Endowment Fund Investment Board** – *Presented by Chris Anton, Manager of Investments*
 - A. Manager's Report
 - B. Investment Report

State Board of Land Commissioners
Final Agenda-v1216a
Regular Meeting – December 20, 2022
Page 1 of 2

Consent—Action Item(s)

3. **Disclaimer of Interest Request DI600316-Wander Property LLC, Boise River** – Presented by Mick Thomas, Division Administrator-Minerals, Navigable Waterways, Oil and Gas
4. **Disclaimer of Interest Request DI600318-Oregon Trail Landmark LLC, Boise River** – Presented by Mick Thomas, Division Administrator-Minerals, Navigable Waterways, Oil and Gas
5. **Disclaimer of Interest DI600319-Riverside Hospitality LLC, Boise River** – Presented by Mick Thomas, Division Administrator-Minerals, Navigable Waterways, Oil and Gas
6. **Approval of Draft Minutes** – November 15, 2022 Regular Meeting (Boise)

Regular—Action Item(s)

7. **Approval of Big Fork Cedar Timber Sale** – Presented by Jeremy Shawver, Section Manager-Timber Sales
8. **Endowment Administrative Sites Policy** – Presented by Bill Haagenson, Deputy Director
9. **Endowment Land Exchange Policy** – Presented by Jim Elbin, Division Administrator-Trust Land Management
10. **Cottage Site Leasing: 2025 Plan** – Presented by Jason Laney, Section Manager-Endowment Leasing
11. **Land Board Meetings Policy** – Presented by Scott Phillips, Policy and Communications Chief
12. **Stakeholder Proposed Recreation Legislation** – Presented by Scott Phillips, Policy and Communications Chief

Information

13. **Idaho Master Cooperative Wildland Fire Management and Stafford Act Response Agreement**
– Presented by Josh Harvey, Bureau Chief-Fire Management

Executive Session

None



Idaho Statutes

Idaho Statutes are updated to the web July 1 following the legislative session.

TITLE 74
TRANSPARENT AND ETHICAL GOVERNMENT
CHAPTER 2
OPEN MEETINGS LAW

74-206. EXECUTIVE SESSIONS – WHEN AUTHORIZED. (1) An executive session at which members of the public are excluded may be held, but only for the purposes and only in the manner set forth in this section. The motion to go into executive session shall identify the specific subsections of this section that authorize the executive session. There shall be a roll call vote on the motion and the vote shall be recorded in the minutes. An executive session shall be authorized by a two-thirds (2/3) vote of the governing body. An executive session may be held:

(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;

(b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student;

(c) To acquire an interest in real property not owned by a public agency;

(d) To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code;

(e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;

(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement;

(g) By the commission of pardons and parole, as provided by law;

(h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;

(i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or

(j) To consider labor contract matters authorized under section 74-206A (1) (a) and (b), Idaho Code.

(2) The exceptions to the general policy in favor of open meetings stated in this section shall be narrowly construed. It shall be a violation of this chapter to change the subject within the executive session to one not identified within the motion to enter the executive session or to any topic for which an executive session is not provided.

(3) No executive session may be held for the purpose of taking any final action or making any final decision.

(4) If the governing board of a public school district, charter district, or public charter school has vacancies such that fewer than two-thirds (2/3) of board members have been seated, then the board may enter into executive session on a simple roll call majority vote.

History:

[74-206, added 2015, ch. 140, sec. 5, p. 371; am. 2015, ch. 271, sec. 1, p. 1125; am. 2018, ch. 169, sec. 25, p. 377; am. 2019, ch. 114, sec. 1, p. 439.]

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Trust Land Revenue

Timber Sales

During November 2022, the Department of Lands sold two endowment timber sales at auction. One sale had competitive bidding. The net sale value represents a 5% up bid over the appraised value. The two unsuccessful sales are being reappraised to account for current market conditions.

TIMBER SALE AUCTIONS								
Sale Name	Area	Sawlog MBF	Cedar Prod MBF	Pulp MBF	Appraised Net Value	Sale Net Value	Net \$/MBF	Purchaser
Resurrection Cedar	PL	1,600			\$ 650,349.50	\$ 737,972.60	\$461.23	Stella-Jones
SuPurduePer	POND	3,750			\$ 1,182,082.00	\$ 1,182,082.00	\$315.22	IFG Timber LLC
Endowment		5,350	0	0	\$ 1,832,431.50	\$ 1,920,054.60	\$358.89	

PROPOSED TIMBER SALES FOR AUCTION					
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date	
North Operations					
Smokey Bear	4,745	\$ 1,392,949	SJ	12/6/2022	
Christmas Colors Salvage	375	\$ 77,390	SJ	12/6/2022	
Saddle Sore	2,280	\$ 488,301	POL	12/7/2022	
Wildcat Cedar	7,455	\$ 1,409,156	PL	12/8/2022	
TOTALS	14,855	\$ 3,367,796			
South Operations					
Sloans Point GNA Ton	4,060	\$ 279,097	PAYNF	12/5/2022	
North Fork Big Creek	6,365	\$ 760,107	CLWR	12/13/2022	
TOTALS	10,425	\$ 1,039,204			

VOLUME UNDER CONTRACT as of November 30, 2022				
	Public School	Pooled	Total	3 Year Avg.
Active Contracts			173	169
Total Residual MBF Equivalent	316,057	175,232	491,289	554,163
Estimated residual value	\$93,639,018	\$49,114,051	\$142,753,069	\$143,464,155
Residual Value (\$/MBF)	\$296.27	\$280.28	\$290.57	\$258.88

	TIMBER HARVEST RECEIPTS				
	November		FY to date	December Projected	
	Stumpage	Interest	Harvest Receipts	Stumpage	Interest
Public School	\$ 4,421,229.64	\$ 425,663.18	\$ 25,745,646.08	\$ 3,997,149.97	\$ 407,663.56
Pooled	\$ 3,211,483.53	\$ 261,189.50	\$ 16,991,602.92	\$ 2,336,351.25	\$ 167,556.57
General Fund	\$ 1.16	\$ 0.00	\$ 243.32	\$ 1.16	\$ 0.00
TOTALS	\$ 7,632,714.33	\$ 686,852.68	\$ 42,737,492.32	\$ 6,333,502.38	\$ 575,220.13

	Status of FY2022 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of November 30, 2022	192,479	98,026	290,505	25,993	17,886	43,879
Currently Advertised	12,230	0	12,230	2,500	0	2,500
In Review	0	0	0	0	0	0
Did Not Sell*	4,430	0	4,430	0	0	0
TOTALS	209,139	98,026	307,165	28,493	17,886	46,379
FY2022 Sales Plan			311,195			20,600
Percent to Date			99%			225%

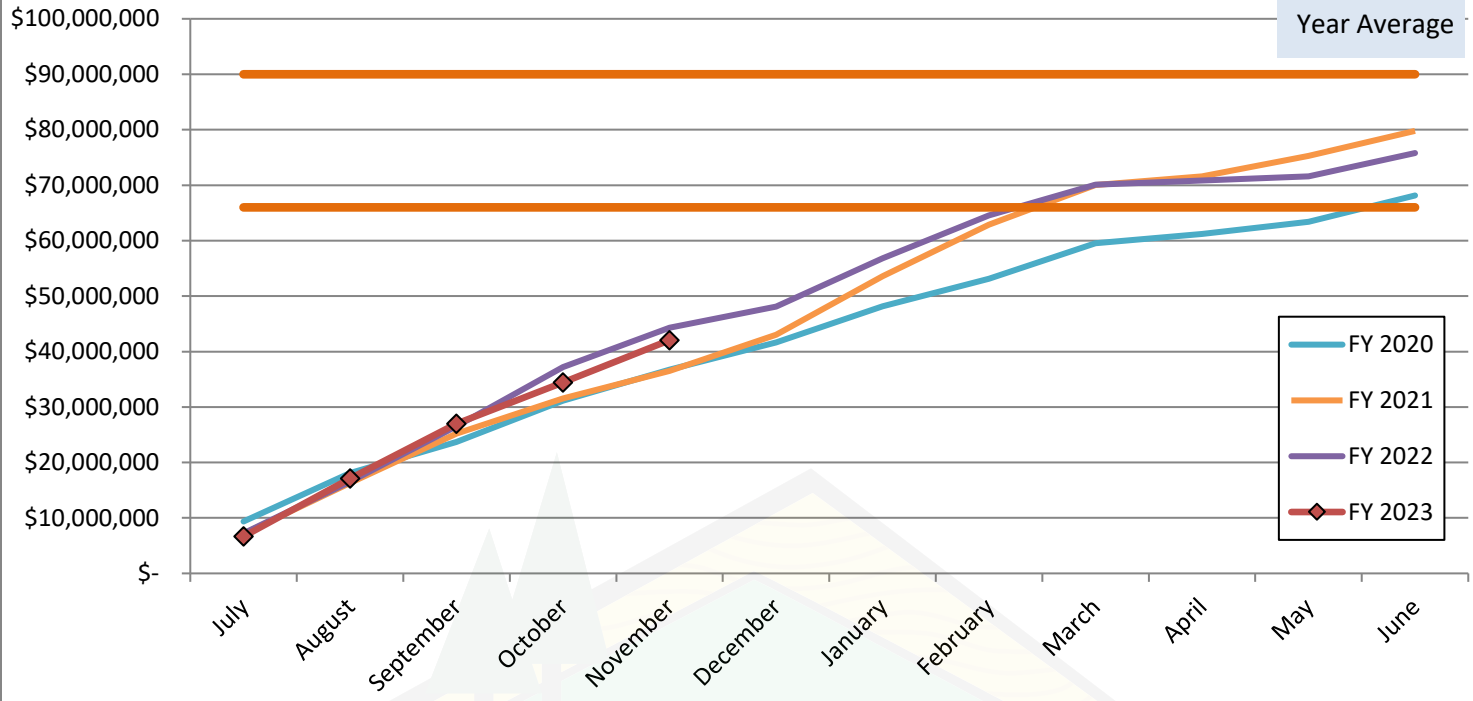
* After three attempts at auction.

	Status of FY2023 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of November 30, 2022	48,613	13,325	61,938	5,639	191	5,830
Currently Advertised	9,398	11,670	21,068	0	0	0
In Review	42,841	4,474	47,315	3,341	179	3,520
Did Not Sell*	0	0	0	0	0	0
TOTALS	100,852	29,469	130,321	8,980	370	9,350
FY2023 Sales Plan			326,000			20,000
Percent to Date			40%			47%

* After three attempts at auction.

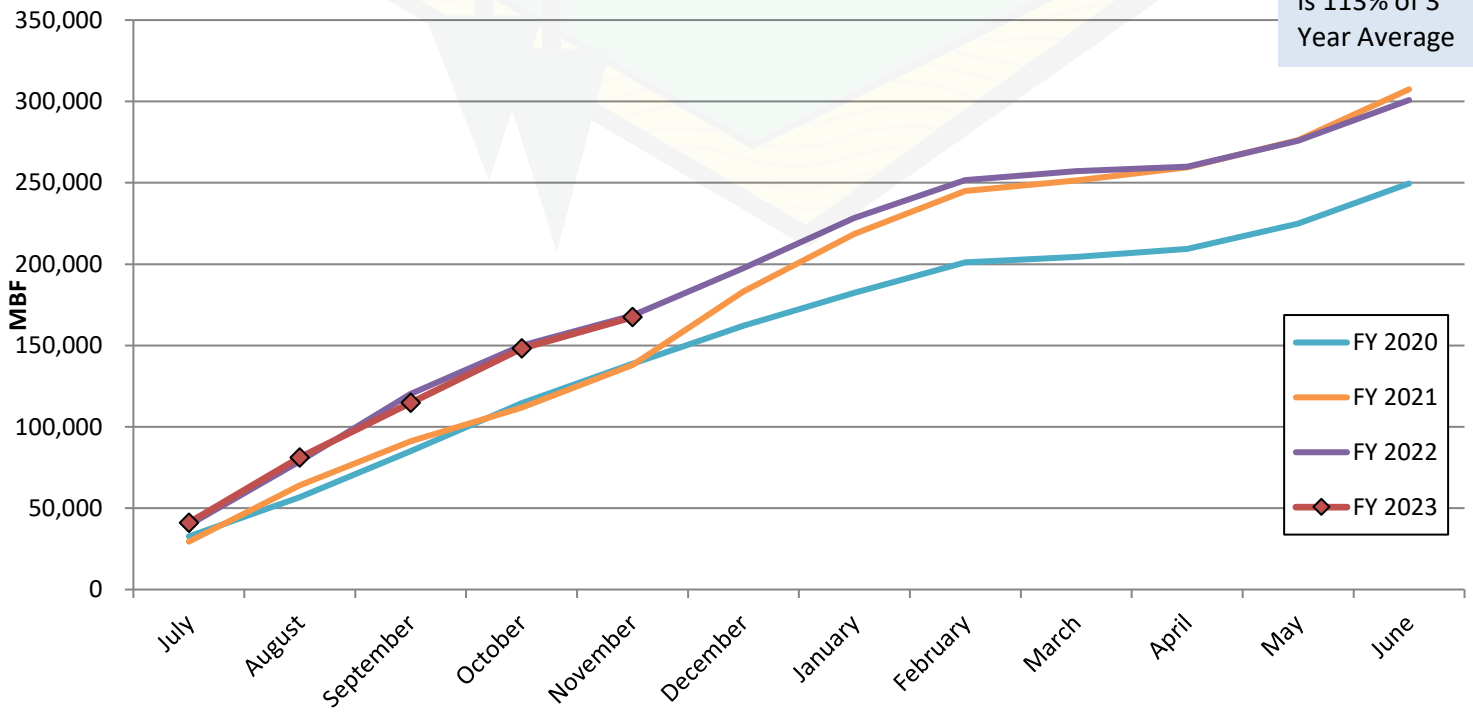
Cumulative Harvest Receipts

Current FYTD is 107% of 3 Year Average

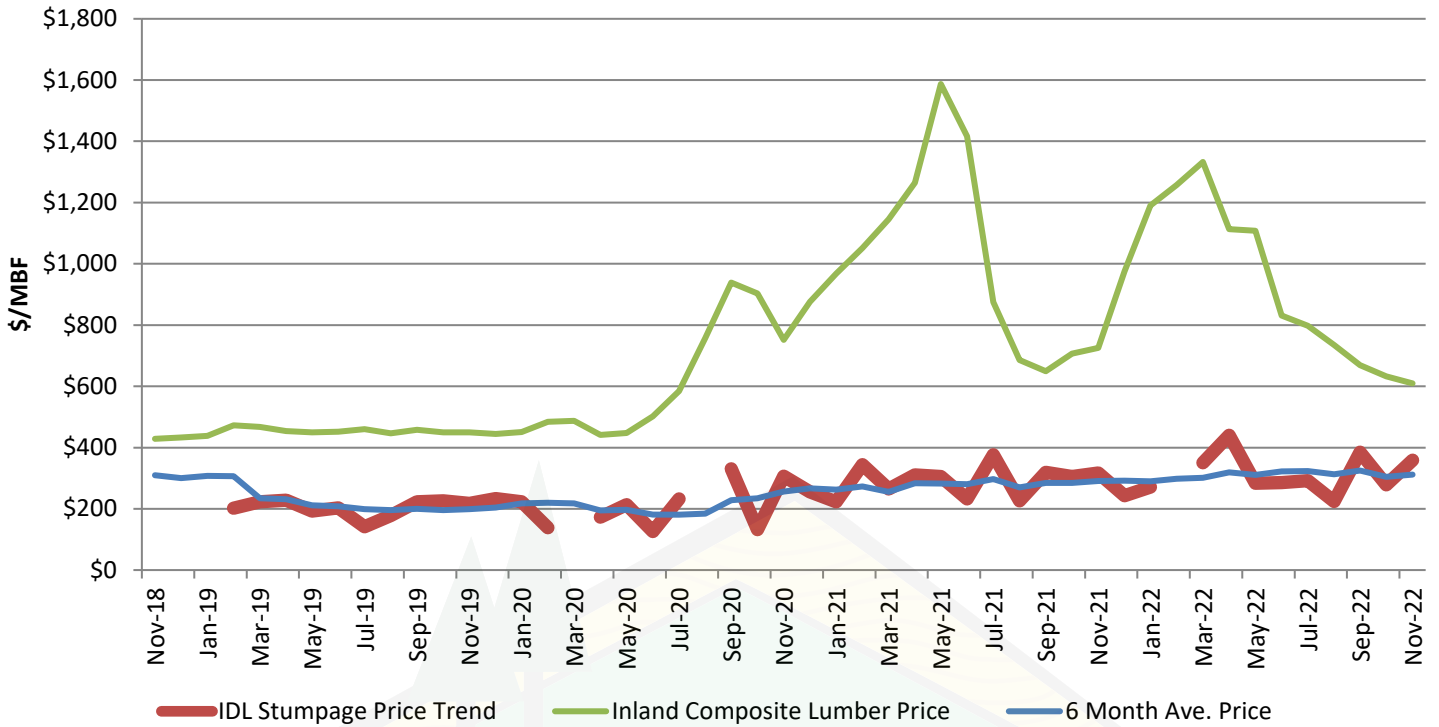


Cumulative Harvest Volume

Current FYTD is 113% of 3 Year Average



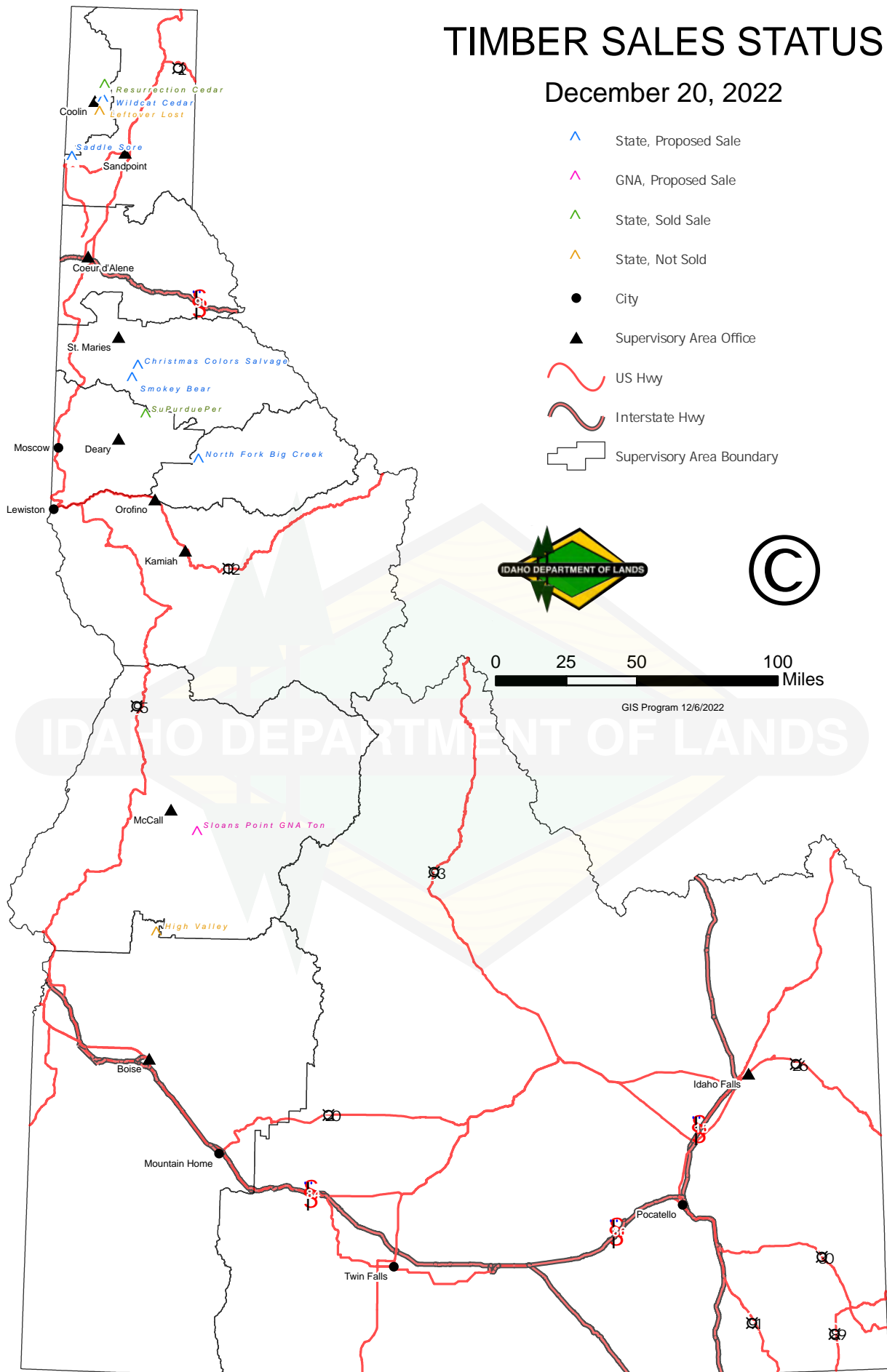
Monthly Lumber and Stumpage Price



November 2022 6-month average price is \$311.27.
 November 2021 6-month average price was \$291.30.

TIMBER SALES STATUS

December 20, 2022



STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Endowment Transactions

Leases and Permits

FISCAL YEAR 2023 – LEASING & PERMITTING TRANSACTIONS BY MONTH – through November 30, 2022													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
SURFACE													
Agriculture	-	1	-	-	1								2
<i>Assignments</i>	-	-	-	-	-								0
Communication Sites	-	-	-	1	-								1
<i>Assignments</i>	1	2	-	-	-								3
Grazing	-	-	-	7	1								8
<i>Assignments</i>	3	2	-	1	-								6
Residential	-	4	-	1	-								5
<i>Assignments</i>	-	-	-	-	-								0
COMMERCIAL													
Alternative Energy	-	-	-	-	1								1
Industrial	-	-	-	-	-								0
Military	-	-	-	-	-								0
Office/Retail	1	-	-	-	-								1
Recreation	-	-	-	-	-								0
OTHER													
Conservation	-	-	-	2	-								2
Geothermal	-	-	-	-	-								0
Minerals	2	2	1	-	-								5
<i>Assignments</i>	1	-	-	-	-								1
Non-Comm Recreation	-	-	-	-	-								0
Oil & Gas	-	-	-	-	-								0
PERMITS													
Land Use Permits	6	5	4	6	2								23
TOTAL INSTRUMENTS	14	16	5	18	5	0	0	0	0	0	0	0	58

Real Estate

FISCAL YEAR 2023 – REAL ESTATE TRANSACTIONS BY MONTH – through October 31, 2022													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	-	-	-	-								0
Deeds Granted	-	-	5	3	1								9
Deeds Granted - Surplus	-	-	-	-	-								0
Easements Acquired	-	1	-	-	-								1
Easements Granted	2	1	-	-	-								3

Notes

[Land Deeded in November Payette Lakes - 1 VAFO Cottage Site](#)

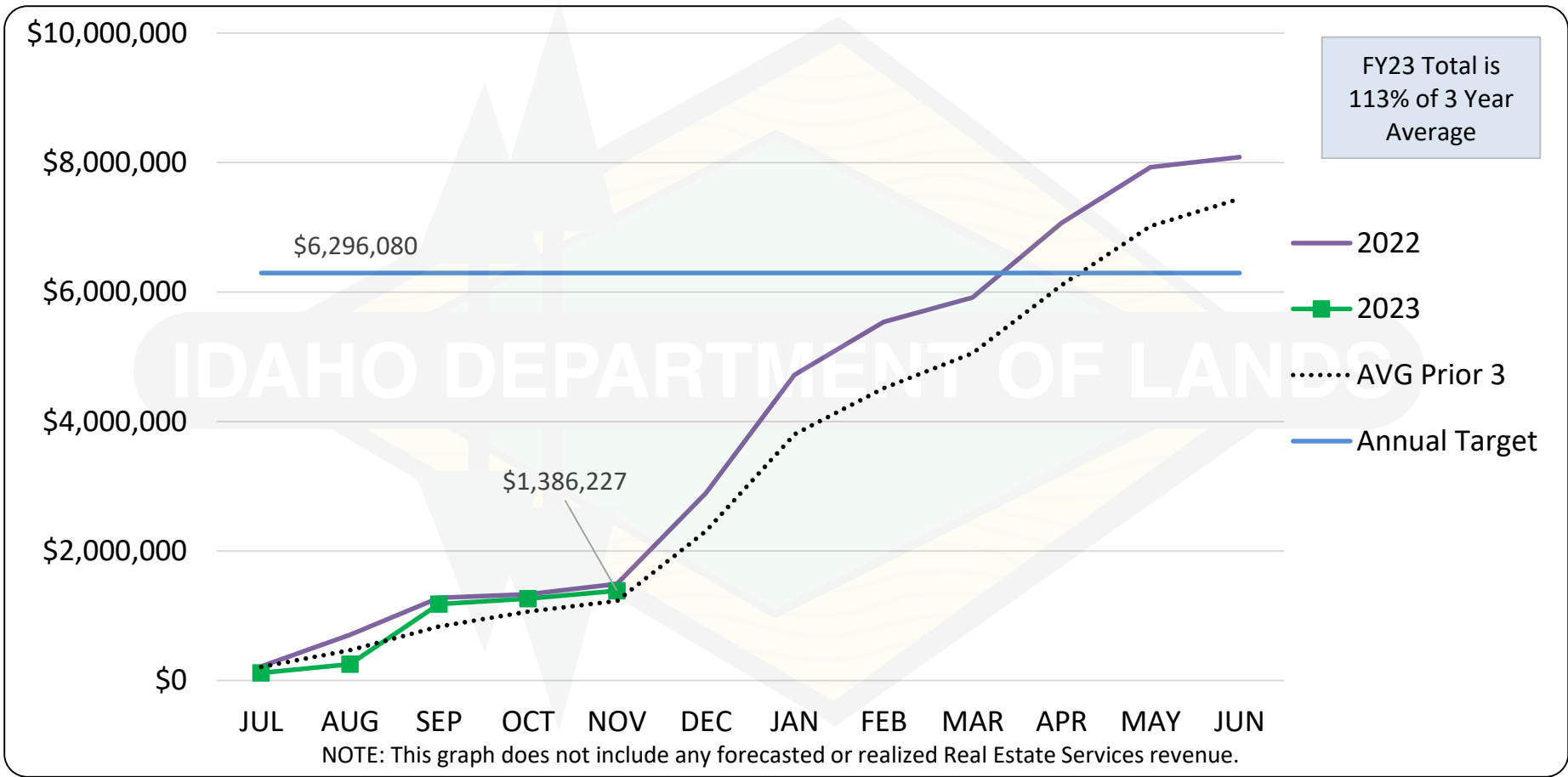
TRUST LAND MANAGEMENT DIVISION
FY2023 GROSS REVENUE (non-timber) - ACTUAL AND FORECASTED
through November 30, 2022

	ACTUAL RECEIPTS AS OF 11.30.2022	REVENUE EXPECTED BY 11.30.2022**	REVENUE EXPECTED BY 06.30.2023
SURFACE			
AGRICULTURE	\$ 1,720	\$ 1,000	\$ 505,000
COMMUNICATION SITES	\$ 81,817	\$ 165,022	\$ 1,009,239
GRAZING	\$ 37,598	\$ 16,000	\$ 1,870,000
RESIDENTIAL	\$ (37,117)	\$ 18,040	\$ 1,095,851
COMMERCIAL			
COMMERCIAL ENERGY RESOURCES	\$ 250	\$ -	\$ 47,763
COMMERCIAL INDUSTRIAL	\$ 12,137	\$ 24,305	\$ 74,504
COMMERCIAL MILITARY	\$ 90,494	\$ 20,080	\$ 91,117
COMMERCIAL OFFICE/RETAIL	\$ 613,628	\$ 476,352	\$ 527,352
COMMERCIAL RECREATION	\$ 564,518	\$ 607,375	\$ 899,978
OTHER			
CONSERVATION LEASES	\$ 500	\$ -	\$ 65,000
GEOTHERMAL	\$ (6,339)	\$ -	\$ -
MINERAL	\$ 24,869	\$ 13,459	\$ 105,403
OIL AND GAS LEASES	\$ 2,152	\$ 1,050	\$ 4,874
Sub Total	\$ 1,386,227	\$ 1,342,682	\$ 6,296,081
*REAL ESTATE SERVICES	\$ 172,770		
Grand Total	\$ 1,558,997		

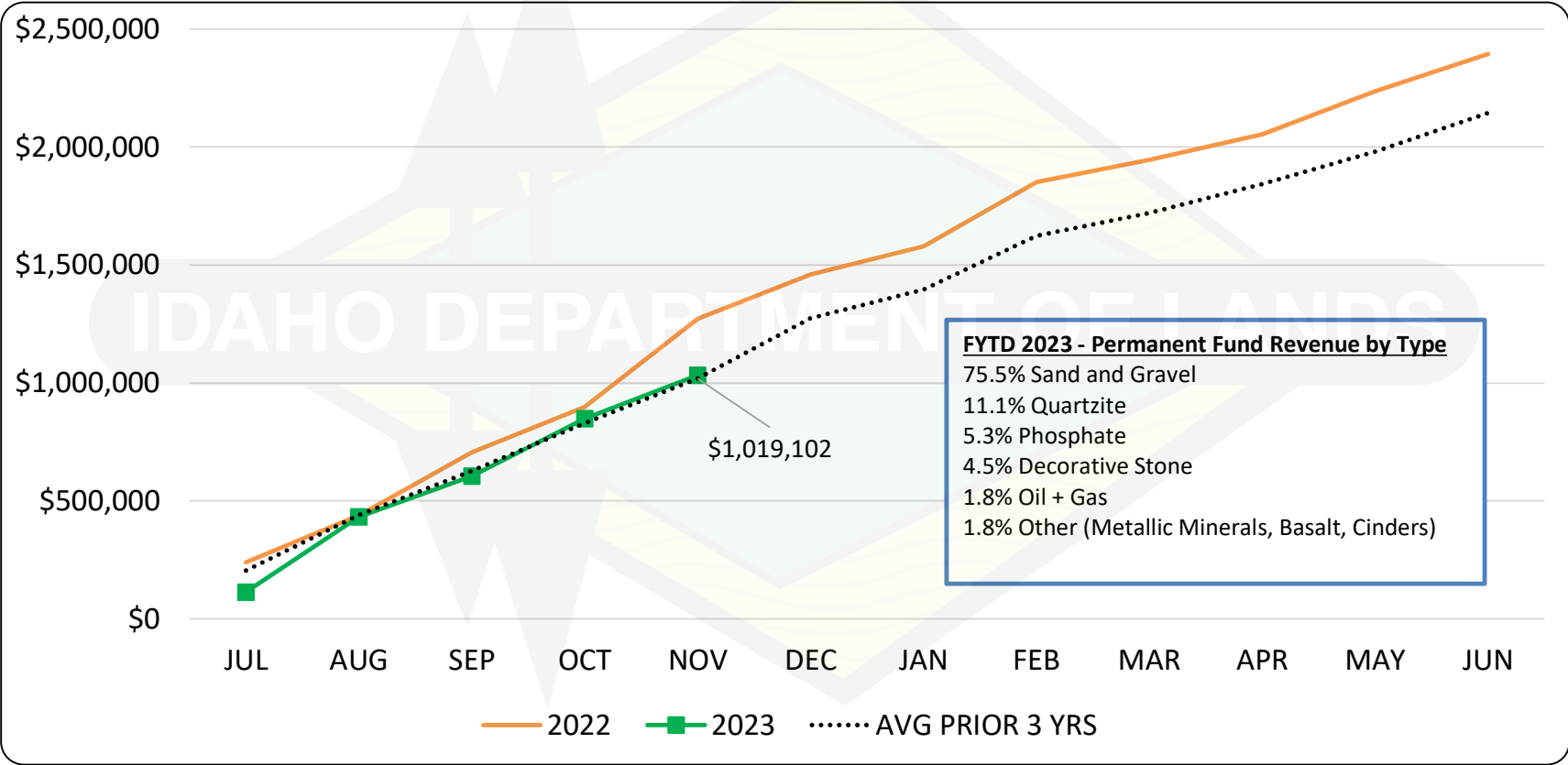
* This category is not included in the annual forecast.

** These figures are based on "normal" timing of revenue/billing throughout the year.

Cumulative Trust Land Program Receipts Earnings Reserve - All Programs excluding Timber FY 2022 - FYTD 2023



Cumulative Trust Land Permanent Fund Revenue/Royalties
 (Does NOT include Land Bank or Timber Program Revenue)
 FY2022 - FYTD2023





Thomas J. Wilford :: Chairman
Jerry F. Aldape Irving Littman
Bob Donaldson Richelle A. Sugiyama
Joseph Forney Chuck Winder
Steven C. Harris Brian Yeargain

Chris J. Anton :: Manager of Investments

Monthly Report to the Board of Land Commissioners

Investment performance through November 30, 2022

Month: 5.7% Fiscal year: 5.7%

Financial markets rebounded in November as there was further evidence of inflation rolling over and hints that China may begin to relax stringent COVID restrictions. Goods prices have moved lower the last four months and housing services prices should continue to decline given higher mortgage rates and the drop in new lease prices. Labor markets remain stubbornly strong, but the number of job openings fell modestly from 10.7 million to 10.3 million. Federal Reserve Chair Powell indicated that it makes sense to slow the pace of interest rate increases, but the policy rate will likely need to remain “restrictive” for some time. Financial markets are optimistic that inflation will continue to moderate and that we will see a peak in the Fed funds rate early in the new year.

Status of endowment fund reserves

Distributions for FY2022 and FY2023 are well secured.

Significant actions of the Endowment Fund Investment Board

None.

Compliance/legal issues, areas of concern

Material deviations from Investment Policy: None.

Material legal issues: None.

Changes in board membership or agency staffing: None.

Upcoming issues/events

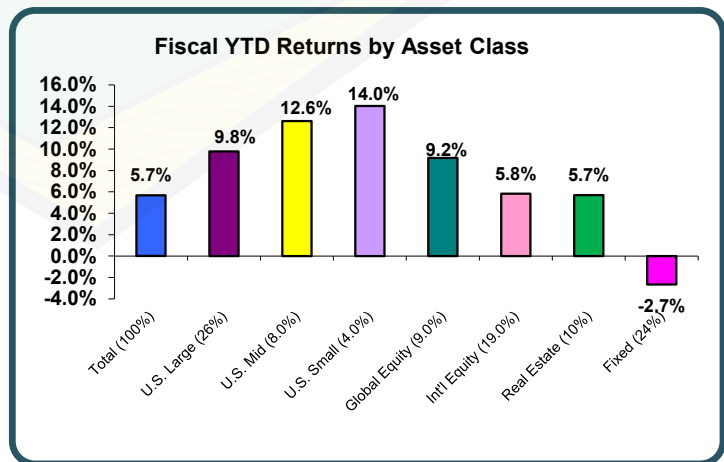
Board Meeting – February 16, 2023

	<u>Month</u>	<u>FYTD</u>
Beginning Value of Fund	2,700,670,359	\$ 2,723,562,805
Distributions to Beneficiaries	(8,359,583)	(42,047,915)
Land Revenue net of IDL Expenses	664,353	28,074,217
Change in Market Value net of Investment Mgt. Expenses	161,633,105	145,019,128
Current Value of Fund	\$ 2,854,608,234	\$ 2,854,608,234

<u>Gross Returns</u>	<u>Current Month</u>	<u>Calendar Y-T-D</u>	<u>Fiscal Y-T-D</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
Total Fund	5.7%	-12.0%	5.7%	-9.5%	6.3%	6.8%	8.2%
<i>Total Fund Benchmark*</i>	5.8%	-11.1%	4.7%	-8.4%	5.5%	6.0%	7.8%
Total Fixed	3.8%	-13.1%	-2.7%	-13.2%	-2.3%	0.5%	1.1%
<i>BBG U.S. Agg. (Ag)</i>	3.7%	-12.3%	-2.5%	-12.5%	-1.9%	0.6%	1.1%
Total Equity	7.2%	-15.0%	9.1%	-11.5%	9.0%	8.7%	10.8%
<i>57% R3 29% Ax 14% AC</i>	7.5%	-14.5%	7.1%	-11.1%	7.3%	7.2%	10.1%
Domestic Equity	5.0%	-13.4%	10.8%	-10.0%	10.7%	10.4%	13.0%
<i>Russell 3000 (R3)</i>	5.2%	-14.2%	8.8%	-10.8%	10.3%	10.3%	12.9%
Global Equity	8.3%	-16.0%	9.2%	-12.5%	8.8%	8.3%	8.2%
<i>MSCI ACWI (AC)</i>	7.8%	-15.0%	6.5%	-11.6%	6.6%	6.4%	8.7%
Int'l. Equity	11.1%	-17.7%	5.8%	-13.9%	5.6%	5.5%	6.5%
<i>MSCI ACWI ex-US (Ax)</i>	11.8%	-15.4%	3.7%	-11.9%	1.8%	1.5%	4.2%
Real Estate			5.7%	22.9%	11.7%	9.8%	
<i>NCREIF ODCE Index (OD)</i>			4.5%	28.3%	11.7%	9.6%	

* Benchmark: 38% Russell 3000 19% ACWI ex-US 9% AC 24% BB Agg. 10% OD

	<u>Mkt Value</u>	<u>Allocation</u>
Domestic Equity	\$ 1,106.0	38.7%
Large Cap	743.6	26.0%
Mid Cap	241.1	8.4%
Small Cap	121.3	4.2%
Global Equity	268.8	9.4%
Int'l Equity	558.9	19.6%
Fixed Income	603.8	21.2%
Real Estate	306.6	10.7%
Cash	10.8	0.4%
Total Fund	\$ 2,854.6	100.0%

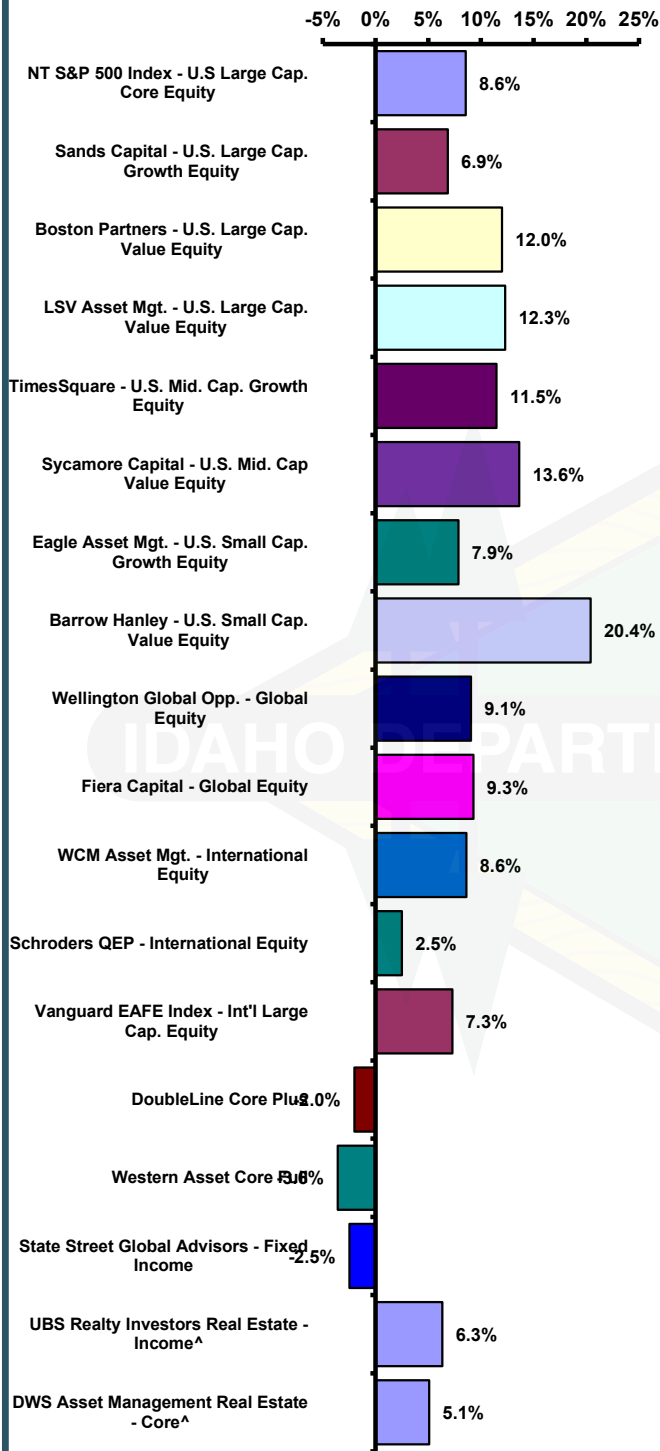


Endowment Fund Staff Comments:

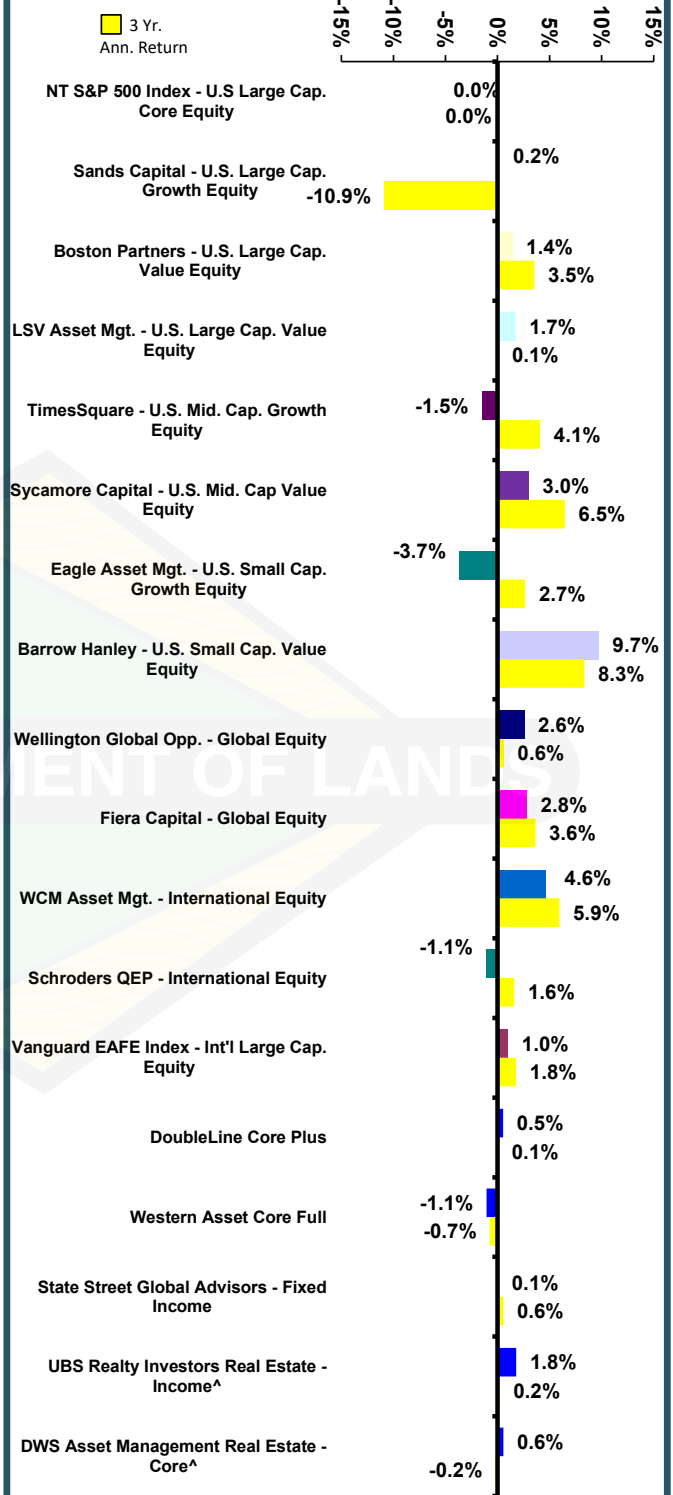
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INVESTMENT REPORT

FYTD Manager Returns



Manager Relative Returns Fiscal YTD and 3-Yr Ave*



* Most recent valuation.

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Consent Agenda

Subject

DI600316, Disclaimer of Interest for the former bed of the Boise River, Canyon County, Idaho.

Question Presented

Shall the Land Board approve Disclaimer of Interest DI600316?

Background

Idaho holds title to the beds and banks of navigable waterways below the ordinary high water mark (OHWM). The State Board of Land Commissioners (Land Board) is the statutorily designated trustee of these lands. When a river moves due to accretion (the natural, gradual process whereby deposited material causes the river to move), title to the riverbed moves as well. These accreted lands are subject to adverse possession by the adjacent upland landowner through a quiet title action. Land Board policy directs the Idaho Department of Lands (Department) to work with these landowners and pursue disclaimers of interest for clearing title to the accreted land.

Discussion

Wander Property LLC has applied for a disclaimer of interest on a parcel of accretion land totaling 11.66 acres, more or less. This parcel is located within the original surveyed river meander lines of the Boise River adjacent to the applicant's deeded property in Government Lots 1 and 2 of Section 14, Township 4 North, Range 3 West (Attachment 1-Map).

After the applicant paid the \$300 application fee, the Department identified the OHWM on site and the applicant's surveyor completed the survey. The Department reviewed the survey, deeds, tax documents, and determined that the disclaimer was ready to move forward.

Wander Property LLC will grant the State of Idaho an easement 25 feet in width for a public use right of way along, and adjacent to, the existing OHWM of the Boise River. In addition, Wander Property LLC will also grant the State of Idaho a disclaimer of interest for two parcels of land located below the ordinary high water mark totaling 4.12 acres.

Recommendation

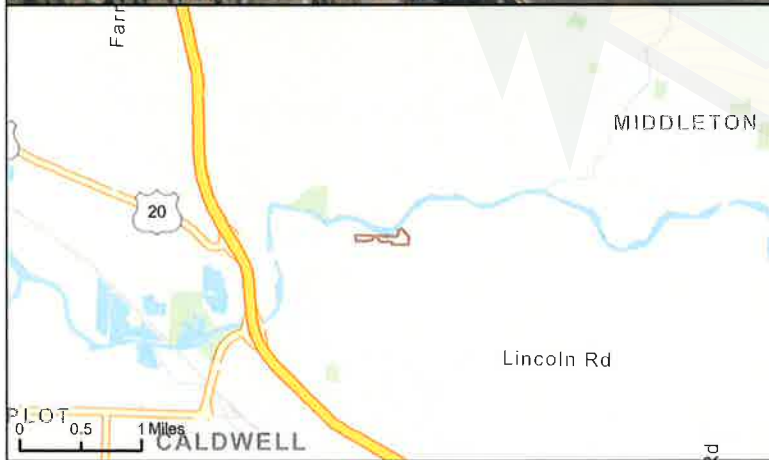
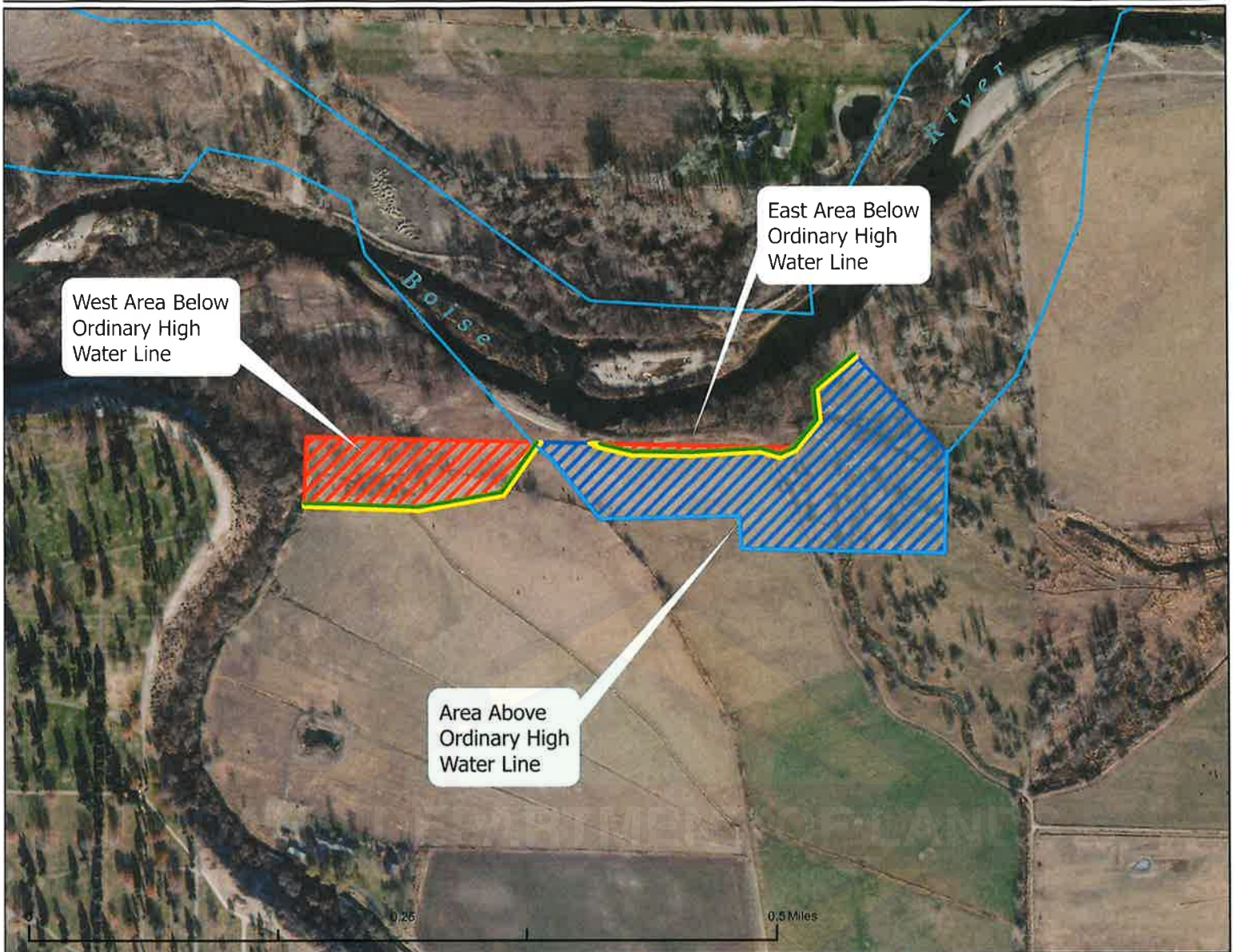
Direct the Department to issue a Disclaimer of Interest for one parcel totaling 11.66 acres of the former bed of the Boise River, to Wander Property LLC following their payment to the Department of the remaining processing fee of \$300.






Board Action

Attachments

1. Map





-  Meander Line
-  Ordinary High Water Mark
-  Access Easement
-  Disclaimed BY State
-  Disclaimed TO State

DI600316

Sec 14 - T04N - R03W

3/14/2022



Map Notes

Projection: Idaho Transverse Mercator, NAD 83

Map Notes and Data Sources

Disclaimer:
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.

Vicinity Map



STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Consent Agenda

Subject

DI600318, Disclaimer of Interest for the former bed of the Boise River, Ada County, Idaho.

Question Presented

Shall the Land Board approve Disclaimer of Interest DI600318?

Background

Idaho holds title to the beds and banks of navigable waterways below the ordinary high water mark (OHWM). The State Board of Land Commissioners (Land Board) is the statutorily designated trustee of these lands. When a river moves due to accretion (the natural, gradual process whereby deposited material causes the river to move), title to the riverbed moves as well. These accreted lands are subject to adverse possession by the adjacent upland landowner through a quiet title action. Land Board policy directs the Idaho Department of Lands (Department) to work with these landowners and pursue disclaimers of interest for clearing title to the accreted land.

Discussion

Oregon Trail Landmark LLC has applied for a disclaimer of interest for two parcels of accretion land totaling 2 acres, more or less. This parcel is located within the original surveyed river meander lines of the Boise River adjacent to the applicant's deeded property in Government Lot 11 of Section 05, Township 3 North, Range 2 East (Attachment 1-Map).

After the applicant paid the \$300 application fee, the Department identified the OHWM on site and the applicant's surveyor completed the survey. The Department reviewed the survey, deeds, tax documents, and determined that the disclaimer was ready to move forward.

Oregon Trail Landmark LLC will grant the State of Idaho an easement 25 feet in width for a public use right of way along, and adjacent to, the existing OHWM of the Boise River. An existing greenbelt is in place along this property.

Recommendation

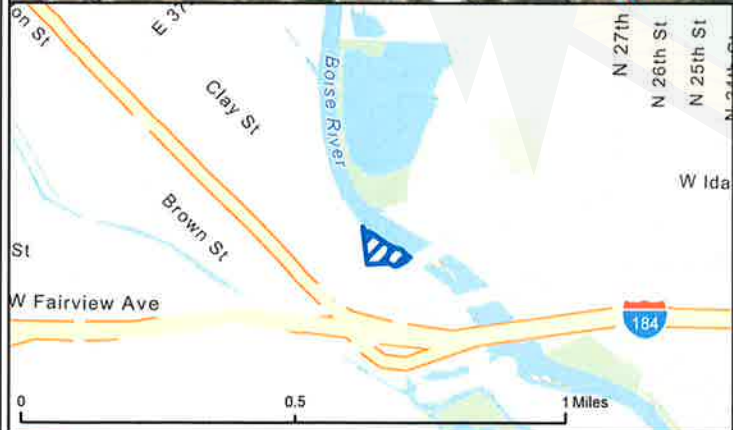
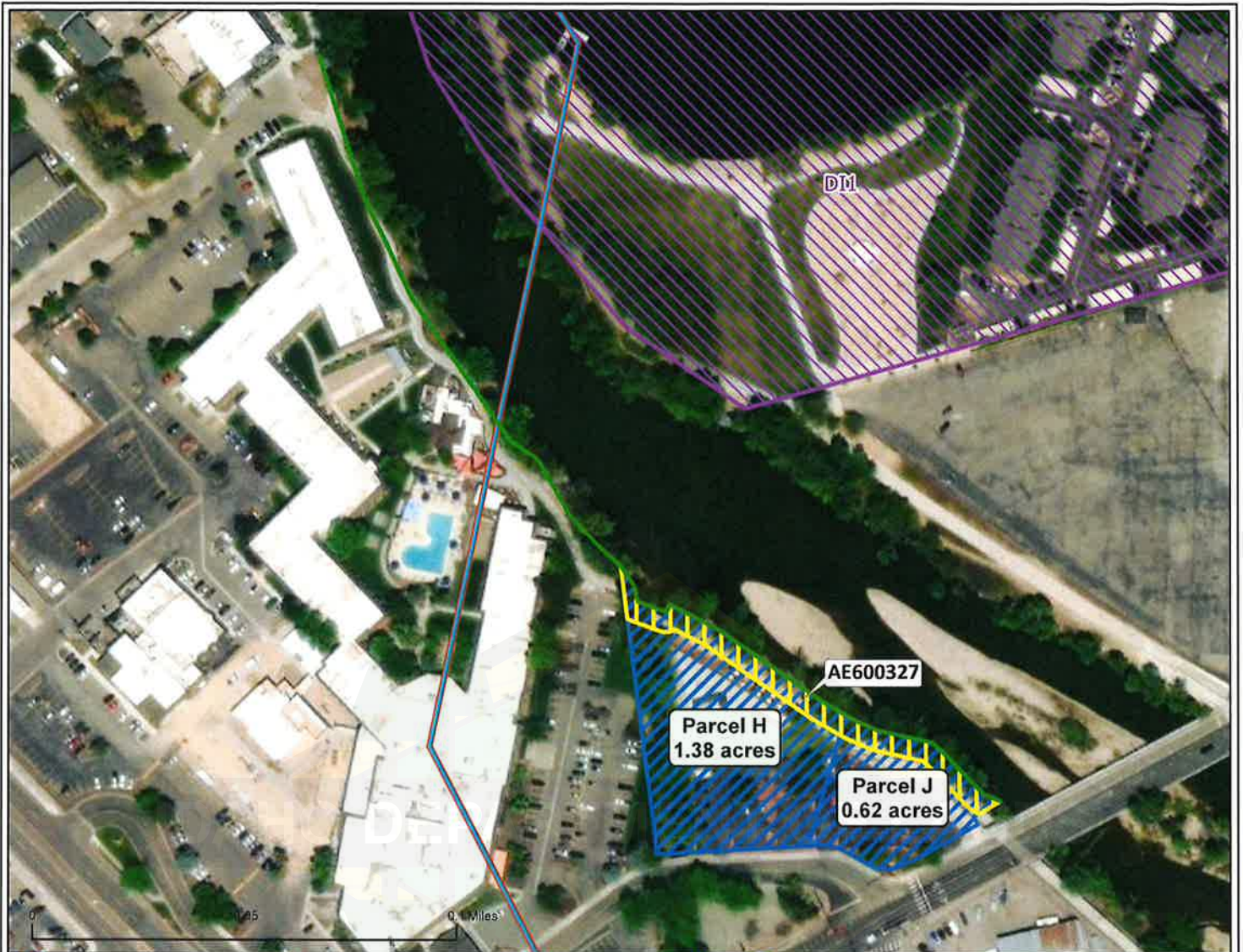
Direct the Department to issue a Disclaimer of Interest for two parcels totaling 2 acres of the former bed of the Boise River, to Oregon Trail Landmark LLC following their payment to the Department of the remaining processing fee of \$300.

Board Action

Attachments

1. Map





- Meander Line
- Ordinary High Water Mark
- Access Easement
- Disclaimed BY State
- Existing Disclaimers
- Township
- Section

DI600318
Oregon Trail Landmark
Sec 4 - T03N - R02E
12/19/2022



Map Notes

Projection: Idaho Transverse Mercator, NAD 83
Map Notes and Data Sources

Disclaimer:
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Consent Agenda

Subject

DI600319, Disclaimer of Interest for the former bed of the Boise River, Ada County, Idaho.

Question Presented

Shall the Land Board approve Disclaimer of Interest DI600319?

Background

Idaho holds title to the beds and banks of navigable waterways below the ordinary high water mark (OHWM). The State Board of Land Commissioners (Land Board) is the statutorily designated trustee of these lands. When a river moves due to accretion (the natural, gradual process whereby deposited material causes the river to move), title to the riverbed moves as well. These accreted lands are subject to adverse possession by the adjacent upland landowner through a quiet title action. Land Board policy directs the Idaho Department of Lands (Department) to work with these landowners and pursue disclaimers of interest for clearing title to the accreted land.

Discussion

Riverside Hospitality, LLC has applied for a disclaimer of interest for four parcels of accretion land totaling 3.4 acres, more or less. This parcel is located within the original surveyed river meander lines of the Boise River adjacent to the applicant's deeded property in Government Lots 11 and 12 of Section 5, Township 3 North, Range 2 East (Attachment 1-Map).

After the applicant paid the \$300 application fee, the Department identified the OHWM on site and the applicant's surveyor completed the survey. The Department reviewed the survey, deeds, tax documents, and determined that the disclaimer was ready to move forward.

Riverside Hospitality, LLC will grant the State of Idaho an easement 25 feet in width for a public use right of way along, and adjacent to, the existing OHWM of the Boise River. An existing greenbelt is in place along this property.

Recommendation

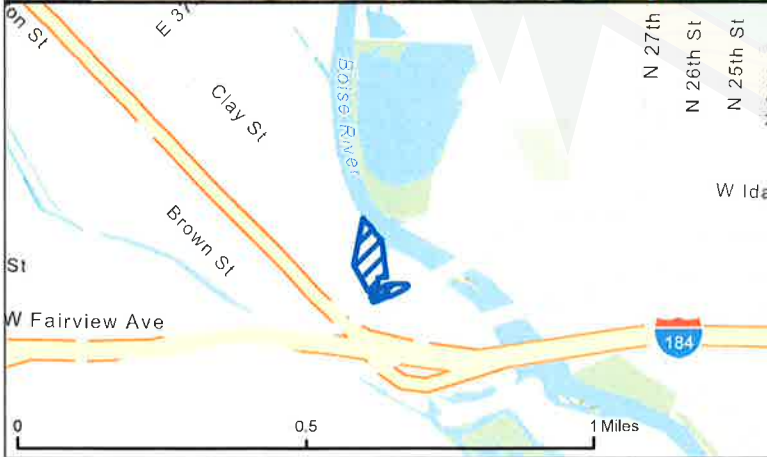
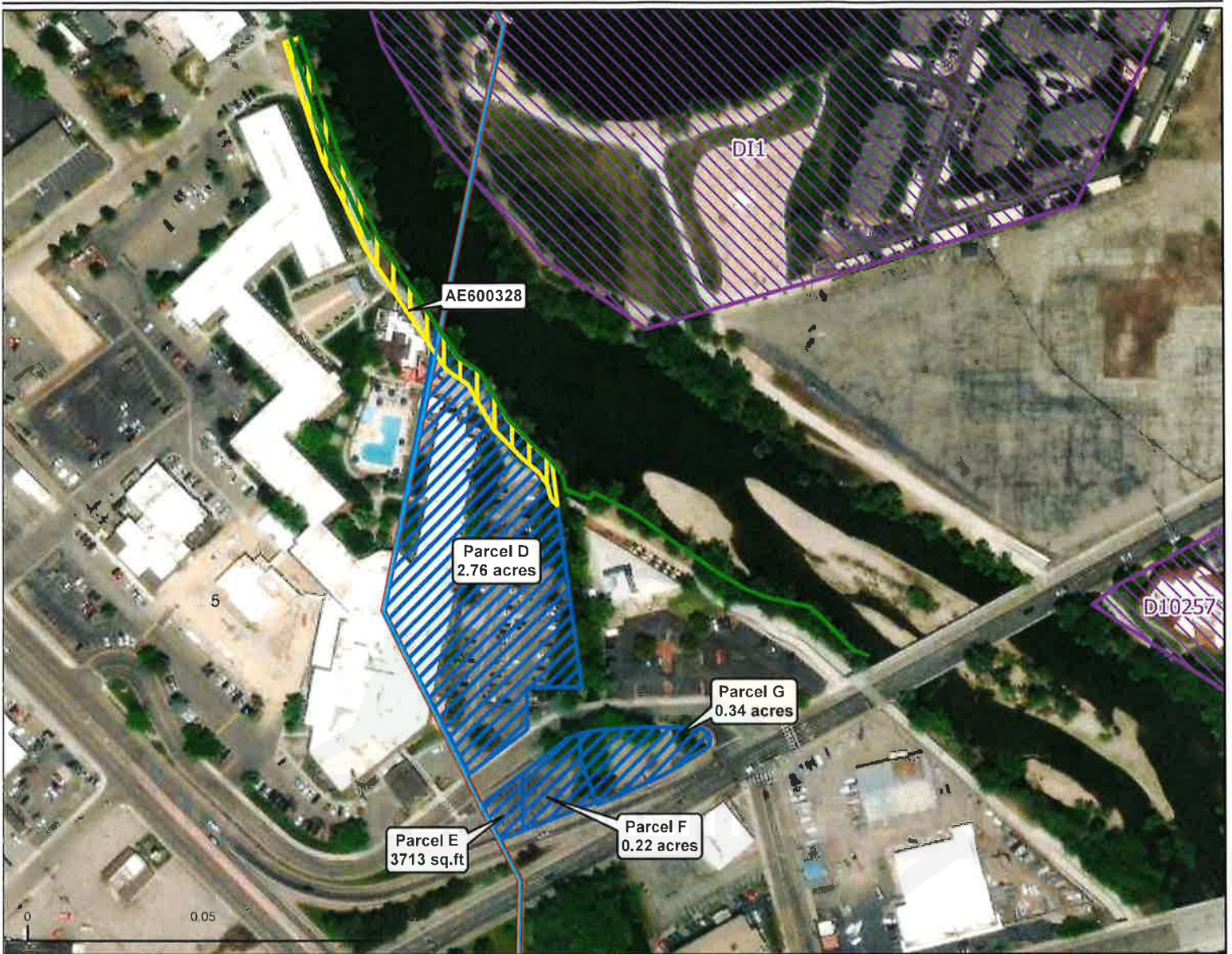
Direct the Department to issue a Disclaimer of Interest for four parcels totaling 3.4 acres of the former bed of the Boise River, to Riverside Hospitality, LLC following their payment to the Department of the remaining processing fee of \$300.

Board Action

Attachments

1. Map





<ul style="list-style-type: none"> Meander Line Ordinary High Water Mark Access Easement Disclaimed BY State Existing Disclaimers Township Section 	<p>DI600319 Oregon Trail Landmark Sec 4, 5 - T03N - R02E 12/12/2022</p>  	<p>Map Notes</p> <p>Projection: Idaho Transverse Mercator, NAD 83</p> <p>Map Notes and Data Sources</p> <p><small>Disclaimer: This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.</small></p>	<p>Vicinity Map</p> 
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Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D. Woolf, State Controller
Sherri Ybarra, Superintendent of Public Instruction
Dustin T. Miller, Secretary to the Board

Be it remembered, that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.

Draft Minutes State Board of Land Commissioners Regular Meeting November 15, 2022

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, November 15, 2022 at the State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 West Jefferson, Boise, Idaho, and via webinar. The meeting began at 9:03 a.m. The Honorable Secretary of State Lawrence Denney presided in place of Governor Brad Little who was administering other matters of state. The following members were in attendance:

Honorable Secretary of State Lawrence Denney
Honorable Attorney General Lawrence Wasden
Honorable State Controller Brandon Woolf
Honorable Superintendent of Public Instruction Sherri Ybarra

For the record, Secretary of State Denney acknowledged the presence of four Land Board members. Secretary of State Denney and Superintendent Ybarra were present at the physical location; Attorney General Wasden and State Controller Woolf joined by Zoom webinar.

Deputy Director Bill Haagenson was acting Secretary to the Board, sitting in for Director Dustin Miller. Mr. Haagenson announced that a group of employees was in town for onboarding. That is a chance for agency leadership to meet with new staff and get to know them, and the employees learn about the various divisions and programs. Onboarding includes the opportunity to come to a Land Board meeting. Mr. Haagenson asked those employees to stand up and be recognized. Secretary of State Denney thanked and welcomed the group to Boise. Secretary of State Denney remarked that Land Board meetings are not always this scarce, plenty of seats available, and the Land Board is happy to see everyone.

[Editor's note: the Discussion portions, if any, for agenda items may be written in first-person format. This is not a verbatim transcript.]

1. Department Report – Presented by Dustin Miller, Director

Trust Land Revenue

- A. Timber Sales – October 2022
- B. Leases and Permits – October 2022

Discussion: None.

2. Endowment Fund Investment Board Report – Presented by Chris Anton, EFIB Manager of Investments

Introduction

Mr. Tom Wilford: Good morning, Mr. Secretary, members of the Land Board; I am Tom Wilford, the Chair of the Endowment Fund Investment Board. Usually, we attend both the May and the November meetings to keep open communications with the Land Board and we are here today to do the same. If I could take a few minutes to introduce the members of our board and staff that are here. Jerry Aldape is here, he is the Chair of the Land Board Audit Committee; Dr. Bob Donaldson was not able to attend; Joe Forney is here as a member of our board; Representative Steve Harris; Irv Littman; Richelle Sugiyama, who is Vice Chair of our board and new Chief Investment Officer of PERSI. We commend her on her new position. Senator Winder was not able to attend, and Brian Yeargain is here. Others that are here: Janet Becker-Wold is our consultant from Callan; and our legal support Julie Weaver is here; and then our staff, Chris Anton, manager of investments; Chris Halvorson, our investment officer; Kathy Van Vactor, our fiscal officer; and Liz Wieneke our office manager. Today's reports, Chris Anton will provide a summary of our fiscal 2022 results and Jerry Aldape will discuss our fiscal 2022 audit and agreed-upon procedures, and then Chris Anton will provide fiscal year-to-date information.

Attorney General Wasden: I just wanted to mention, Tom, as I did last month as well, but let me tell you how much I appreciate, we appreciate, your effort, your work, on behalf of the citizens and the endowments in this state. You bring your expertise, your time, your effort, and to all the members of the board, and all of the staff, I want to say thank you. I have done this for a long time, and I do not know that we could have asked for anything more than you have provided and I wanted to publicly say thank you for what you do.

Mr. Wilford: Thank you, General Wasden, I appreciate that.

Secretary of State Denney: That goes from all of us.

- A. FY2022 Annual Report

Discussion:

Mr. Chris Anton: Mr. Chairman, members of the Board, good morning. Included in your Board books is the fiscal 2022 annual report. I do not plan to go through every page of that, I just want to hit some of the performance highlights for the year. As all of you know, fiscal 2022 was a challenging year for the land grant endowment fund; after exceptional gains of 29.7% in fiscal 2021, the endowment fund balance declined by 12.4% (\$383.3 million) to \$2.7 billion as of June 30, 2022. However, due to prudent management by the Land Board and the intentional efforts to build solid reserves, the earnings reserve levels remain strong, but certainly below

target at fiscal year-end. The target level of earnings reserves is the equivalent, as all of you know, of 7 years of beneficiary distributions, and the actual level on June 30, 2022, was 5.8 years for public schools and between 5.4 and 6.7 years for the other beneficiaries. Despite a challenging year in the financial markets, we are still well reserved. The endowment fund had investment losses of 13% which ranked in the 91st percentile when compared to our peers in the Callan public fund sponsored database. Net land revenue declined 5.2 % to \$56.5 million, however beneficiary distributions increased 4.3% to \$88.1 million and the Land Board approved distributions of \$100.3 million this fiscal year, and also in fiscal 2024. All in all, despite challenges we are well positioned for the future, and we continue to provide strong support for all of our beneficiaries.

B. Land Board Audit Committee Report

Discussion:

Mr. Jerry Aldape. Mr. Secretary, members of the Land Board, let me introduce myself. My name is Jerry Aldape; I have been on the endowment fund since 2017, and head of the Land Board Audit Committee for about a year and a half. Our goal is to have an unqualified, or a no opinion; we have done that this year. If you have looked at the audit report you see no findings; we are very happy how it came out, the timing and professionalism of CLA (CliftonLarsonAllen), and how well our staff did. The members of Land Board Audit Committee are Tom Wilford, Brian Yeargain, Robin Lockett from the Attorney General's Office, and Brandon Woolf, the State Controller. Each year, the State of Idaho Endowment Fund Investment Board commissions an independent audit of its financial results, and the Idaho Department of Lands conducts certain agreed-upon procedures, primarily focused on tracking and accounting for Idaho Department of Lands revenue by beneficiary. These reports are intended to ensure accurate financial reporting, solid internal controls, and transfers to the stakeholders. The Land Board Audit Committee met with representatives from the independent auditors CLA, and with the members of the Endowment Fund Investment Board and Idaho Department of Lands staff, on August 17th, to review the results of these procedures. I am pleased to report the endowment fund's audit report, and the Idaho Department of Lands agreed-upon procedures were reviewed and accepted by the Idaho Land Board Audit Committee. CLA issued three formal reports. The one we all like to see is an unmodified opinion and that came in for the last two years; they tested our internal controls, and they found no issues. CLA has a local office here, this year was probably the best year we have ever had for an audit, the timing, the professionalism.

Attorney General Wasden: Mr. Aldape, thank you very much; well done.

Secretary of State Denney: Good job; thank you.

C. Manager's Monthly Report

Discussion:

Mr. Anton: Equity markets rebounded during the month of October following poor performance in the prior two months. The portfolio was up 4.8% for the month which left us up 0.1% fiscal year-to-date. Following month end we have continued to see some improvements in the financial markets and as of yesterday we were up 3.2%. Part of what drove the markets up during the quarter was that corporate earnings remained solid, and corporate revenue growth

continued to grow. Overall, despite the Federal Reserve's efforts to jack up interest rates, corporate profitability remained fairly strong. Employment also stayed strong; job openings actually increased during September, despite signs that wages are starting to soften. GDP after two down quarters grew 2.6 %. This generally strong state of the economy has allowed the Federal Reserve to continue rate increases to fight inflation. Shortly after the end of the month, the Federal Reserve raised its federal funds benchmark rate by 0.75% to a range of 3.75% to 4% and cautioned that they will likely need to take interest rates higher than they had anticipated to fight inflation. The good news, however, is over the last week, we have seen some signs that inflation may have peaked; it was not a huge decline, but the rate dropped from 8.1% to 7.7%. The market seemed to celebrate that, and that is part of what has driven the market up the last few days here. We will see where this ends up, the Federal Reserve is going to continue to push forward, but the good news is the economy is remaining fairly resilient despite those efforts. Reserves continue to be strong. No other items to report other than our next board meeting will be held on February 16th.

Attorney General Wasden: Mr. Anton, I recognize that over the last number of months the market has been difficult, and then it has made some sort of a rebound at least, and I wanted to know what you were going to do to make certain that the market continues to go up. *[laughter]*

Mr. Anton: I think that is Chris Halvorson's job. Praying is probably my best bet. *[more laughter]*

3. Performance Review of Total Endowment – Presented by Bill Haagenson, Deputy Director

Discussion: None.

Consent—Action Item(s)

4. Approval of Draft Minutes – October 18, 2022 Regular Meeting (Boise)

Consent Agenda Board Action: A motion was made by Attorney General Wasden that the Land Board adopt and approve the Consent Agenda. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

Regular—Action Item(s)

5. Negotiated Rulemaking for IDAPA 20.03.01, Rules Governing Dredge and Placer Mining Operations in Idaho – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

Recommendation: Authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.01 *Rules Governing Dredge and Placer Mining Operations in Idaho*.

Discussion: None.

Board Action: A motion was made by Attorney General Wasden that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.01 *Rules Governing Dredge and Placer Mining Operations in Idaho*. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

6. Negotiated Rulemaking for IDAPA 20.03.03, Rules Governing Administration of the Reclamation Fund – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

Recommendation: Authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.03 Rules Governing Administration of the Reclamation Fund.

Discussion: None.

Board Action: A motion was made by Attorney General Wasden that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.03 Rules Governing Administration of the Reclamation Fund. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

7. Negotiated Rulemaking for IDAPA 20.03.05, Riverbed Mineral Leasing in Idaho – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

Recommendation: Authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.05 Riverbed Mineral Leasing in Idaho.

Discussion: None.

Board Action: A motion was made by Attorney General Wasden that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.05 Riverbed Mineral Leasing in Idaho. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

8. Statement of Investment Policy Annual Review – Presented by Jim Elbin, Division Administrator-Trust Land Management

Recommendation: The Department recommends that the Land Board approve the revised Statement of Investment Policy.

Discussion:

Controller Woolf: Mr. Chairman, this is not a question but a quick comment. I think it is important that we have the target allocations that were done away with last November. I understand the recommendation, but I think it is helpful for the Board to know if we are going in the right direction, are we targeting in the right way. I hope that we can continue to look at and make sure we are progressing the right way in our different allocations. Thank you.

Attorney General Wasden: I wanted to say thank you to Callan and to the Department for updating this document. I think it is important for us and gives us direction.

Board Action: A motion was made by Attorney General Wasden that the Land Board approve the revised Statement of Investment Policy. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

Mr. Haagenon: Mr. Chairman, if I may, one small clarification. Jim mentioned the Reinvestment Subcommittee in his presentation. It is actually the Investment Subcommittee. A small clarification for the record.

9. Governance Structure Review – Presented by Jim Elbin, Division Administrator-Trust Land Management

Recommendation: The Department recommends increasing the delegated authority for routine land investment decisions to \$1,250,000 per transaction, increasing the delegated authority for other land investment decisions to \$250,000 per transaction, and changing the time period for post-audits of other land investment decisions over \$1,000,000 in value to five (5) years, as outlined in Attachment 2.

Discussion:

Attorney General Wasden: The fact that land values are increasing, the recommendation makes sense to me. My question is, for routine land investments the change is to \$1.25 million, the delegated authority for other land investment decisions is from \$100,000 to \$250,000. Why those specific numbers?

Mr. Elbin: Mr. Chairman and Attorney General, the main thing with the \$1.25 million, we wanted to leave ourselves some cushion because we know as our harvest has gone up, our planting costs and those things have gone up. We want to leave ourselves a little cushion knowing that we have another FAMP update coming that we expect to potentially see an increase in our harvest levels and management level with that. On the land value, the \$100K to \$250K is to be more nimble when we are going after access, right of way and easement purchase across other landowners, to secure long-term management capability for our lands.

Attorney General Wasden: Okay, thank you.

Board Action: A motion was made by Attorney General Wasden that the Land Board adopt the Department recommendation, that is increasing the delegated authority for routine land investment decisions to \$1,250,000 per transaction, increasing the delegated authority for other land investment decisions to \$250,000 per transaction, and changing the time period for post-audits of other land investment decisions over \$1,000,000 in value to five (5) years, as outlined in Attachment 2. Superintendent Ybarra seconded the motion. The motion carried on a vote of 4-0.

For the record, Controller Woolf left the meeting at approximately 9:48 a.m. to attend other business.

Information

None

At 9:48 a.m., a motion was made by Attorney General Wasden to resolve into Executive Session pursuant to Idaho Code § 74-206(1)(c) – to acquire an interest in real property which is not owned by a public agency. Attorney General Wasden requested that a roll call vote be taken, and that the Secretary record the vote in the minutes of the meeting. Superintendent Ybarra seconded the motion. *Roll Call Vote: Aye:* Denney, Wasden, Ybarra; *Nay:* None; *Absent:* Woolf, Little.

Executive Session

A. Acquisition

Idaho Code § 74-206(1)(c) – to acquire an interest in real property which is not owned by a public agency.

At 10:05 a.m., a motion was made by Attorney General Wasden to resolve out of Executive Session. Superintendent Ybarra seconded the motion. The motion carried on a vote of 3-0. No action was taken by the Land Board during Executive Session.

Regular—Action Item(s)

10. Property Acquisition

Board Action: A motion was made by Attorney General Wasden that the Land Board authorize the Director of the Department of Lands to proceed with negotiation of a purchase and sale agreement to acquire the lands identified as Vandals Won, aka Project One, during the Executive Session, upon the prices and terms consistent with the land acquisition policy adopted by this Board. Attorney General Wasden further moved that the Land Board authorize the Director to expend funds in excess of \$100,000 for such purpose from the Land Bank Fund. Superintendent Ybarra seconded the motion. The motion carried on a vote of 3-0.

For the record, following the motion on agenda item 10, Mr. Garrick Baxter, Deputy Attorney General, noted that the Land Board had not stated in open session that no action was taken by the Land Board during the Executive Session. Attorney General Wasden affirmed that the Land Board met in Executive Session and that no action was taken during the Executive Session.

There being no further business before the Land Board, at 10:10 a.m. a motion to adjourn was made by Attorney General Wasden. Superintendent Ybarra seconded the motion. The motion carried on a vote of 3-0.

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Big Fork Cedar Timber Sale with clearcut harvest units exceeding 100 acres

Questions Presented

Shall the Land Board approve the Big Fork Cedar Timber Sale with a clearcut harvest unit exceeding 100 acres?

Background

At its December 15, 2015 meeting, the Land Board adopted a timber sale governance structure whereby the Idaho Department of Lands (Department) would only present individual proposed timber sales for Land Board approval that fall outside of established Land Board policies. Timber sales with clearcut harvest units exceeding 100 acres are one type of sale to be submitted for approval.

Discussion

The Pend Oreille Lake Supervisory Area has submitted a timber sale in the FY23 plan that has a clearcut harvest unit exceeding 100 acres in size. The sale area is within other Department ownership that has been previously managed (Attachments 1 and 2). The sale area is located 9 miles northwest of Sandpoint (Attachment 3).

The proposed clearcut harvest in this sale is 110 acres and is described in detail (Attachment 4). The preferred seral species are a minor component of the stand and are not expected to produce enough cones and seed for desired natural regeneration. The site will be planted with a mix of seral species that will optimize the sites potential. Adjacent stands have been successfully planted to adequate stocking to maximize return to the beneficiaries.

The sale has been prepared to meet or exceed the Forest Practices Act. The proposed clearcut harvest unit is silviculturally and economically justified and was approved by the Timber Management Bureau (Attachment 5). This sale, as proposed, meets the objectives of the Pend Oreille Lake Area Forest Asset Management Plan.

Recommendation

Approve the Big Fork Cedar Timber Sale.

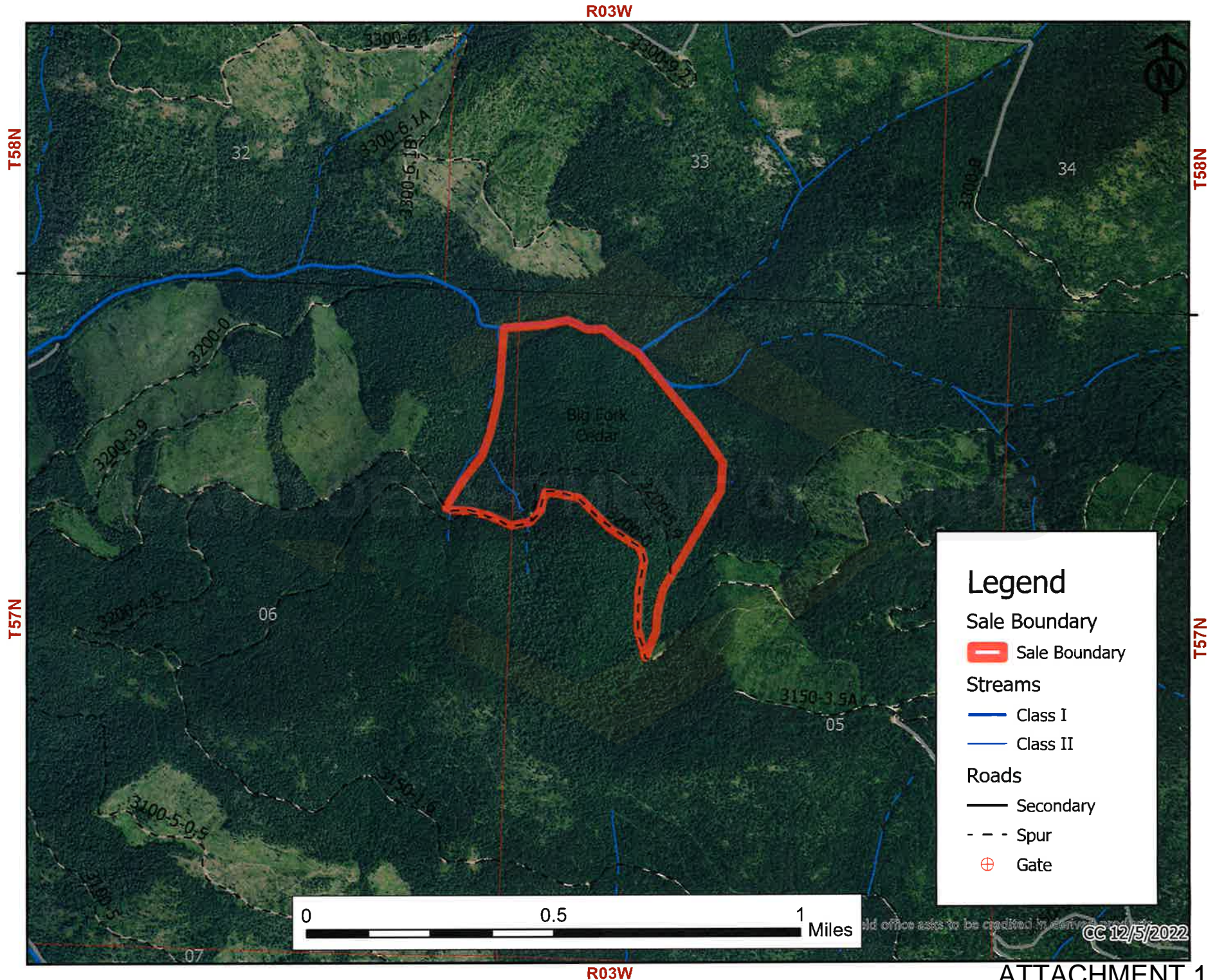
Board Action

Attachments

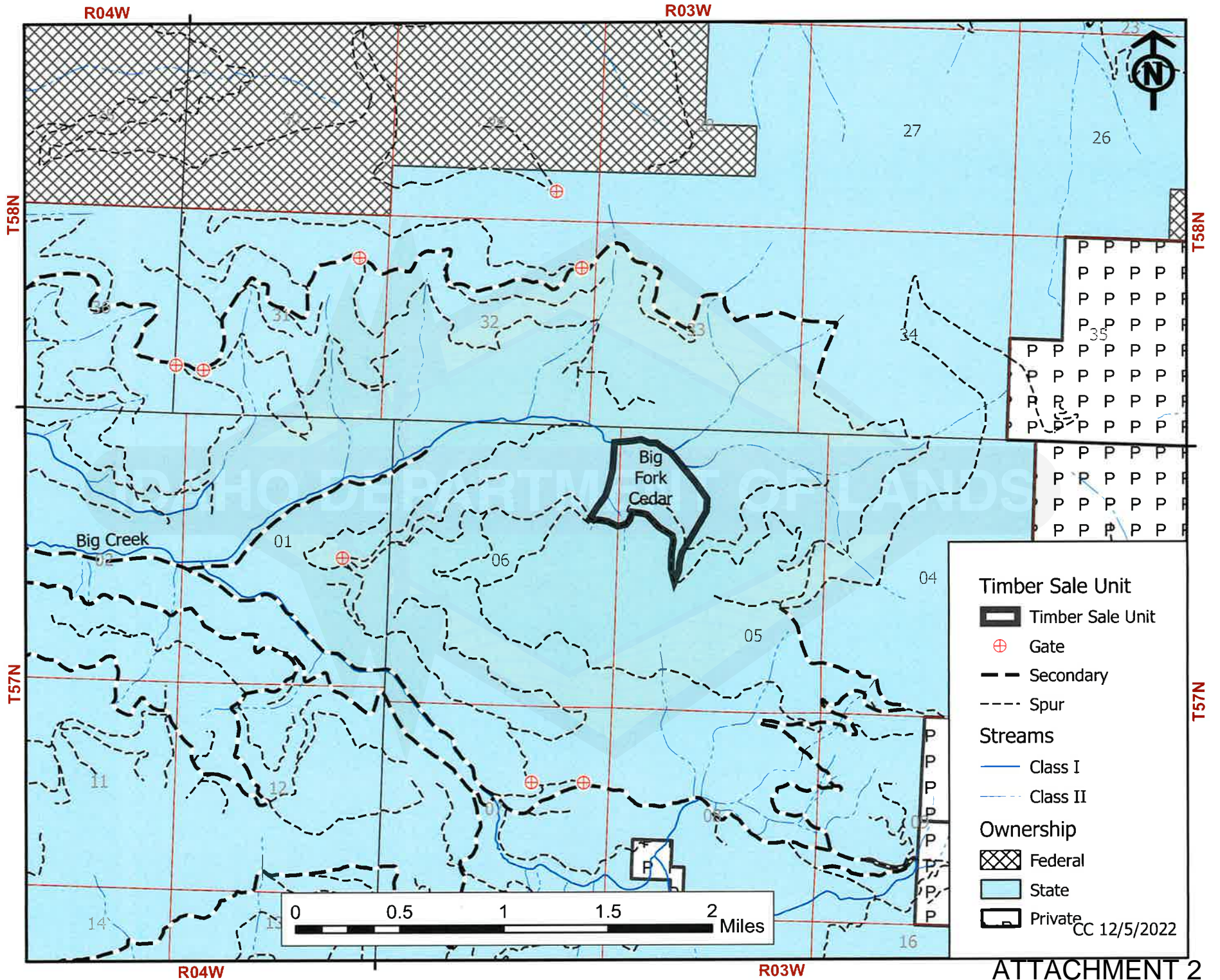
1. Ortho Map
2. Ownership Map
3. Vicinity Map
4. Clearcut Justification
5. Bureau Approval Memo

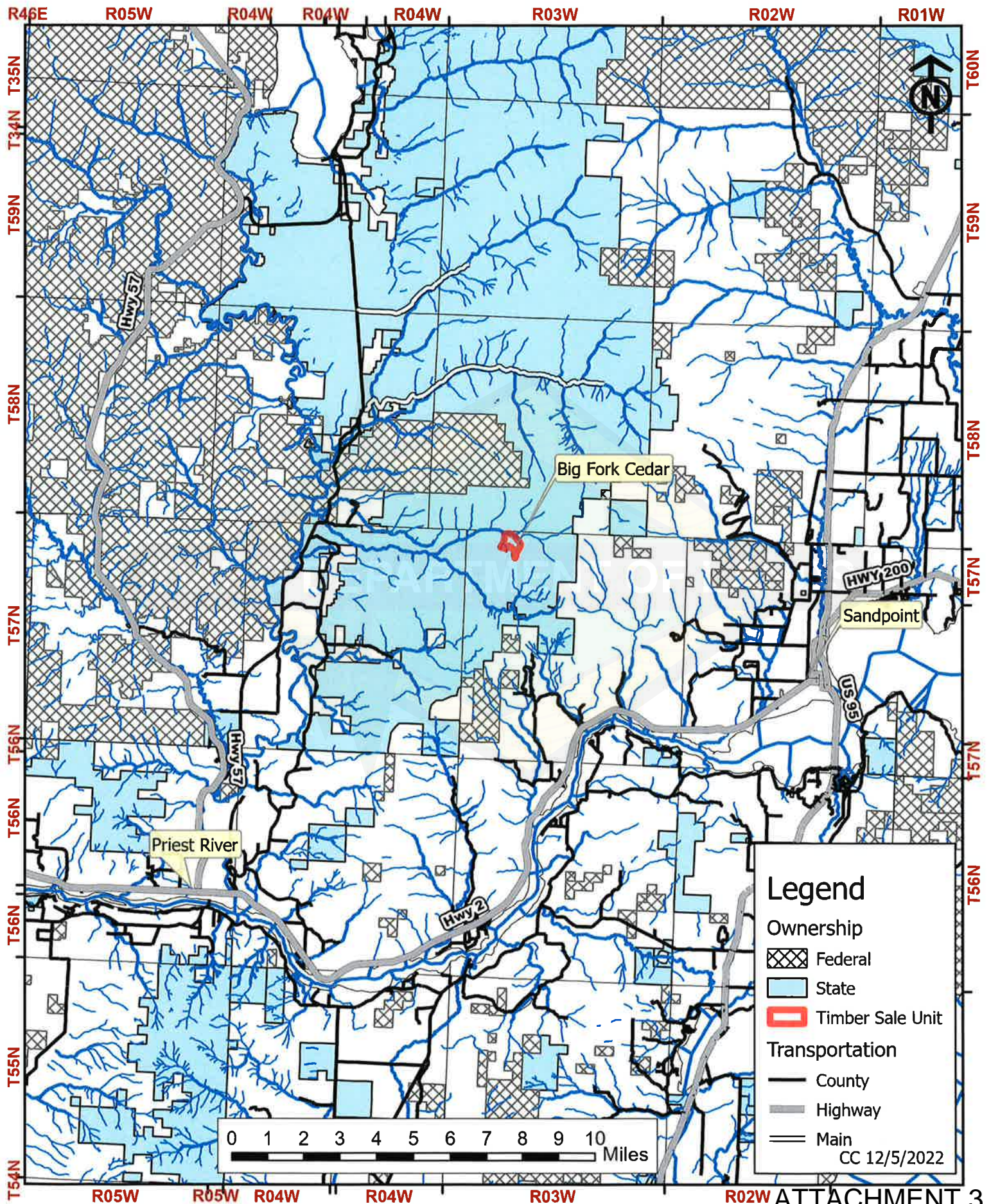


IDAHO DEPARTMENT OF LANDS



old office assets to be credited to current property
CC 12/5/2022





Big Fork Cedar Clearcut Justification

1. Treatment Description:

(a) The stand is comprised of mature grand fir, western hemlock and western redcedar with some western larch, Douglas-fir and Engelmann spruce. This stand will be clearcut and planted following harvest.

(b) Clearcut Justification:

Clearcuts will help achieve Desired Future Conditions outlined in the Pend Oreille Lake Supervisory Area's Forest Asset Management Plan. Clearcut Unit 1 (110 acres) is silviculturally and economically justified and complies with the Idaho Forest Practices Act. A Clearcut prescription will be used to harvest existing stand and re-establish seral and intermediate species on the site. This prescription will be used for the following reasons:

1. The presence of seral species, such as Douglas-fir and western larch are of poor quality to leave as a seed source. Overstory trees are already succumbing to the effects of red ring rot. No established understory exists due to the closed canopy nature of the stand. Seed from these overstory trees will not maximize the sites potential for timber production.
2. The age of the dominants range from 90 to >200+ years old, with an average age of 125 years old. Much of the stand is in a high level of defect and damage.
3. Endemic levels of Indian paint fungus are present in much of the grand fir and western hemlock.
4. Clearcutting will minimize the number of entries into the area, reduce disturbance and erosion, minimize the spread of disease, and expedite regeneration by planting genetically superior western larch and white pine.

(c) Forest Improvement Activity: The unit will be assessed for site preparation before being planted with western larch and white pine to supplement the anticipated natural regeneration which is expected to be mostly grand fir and western hemlock. Western larch and western white pine are frost and root rot resistant. Root rots significantly affect many other tree species in this forest type. Conditions and planting needs will be closely monitored after harvest. The plantations adjacent to the proposed clearcut unit are currently very successful.



FOREST MANAGEMENT BUREAU
3284 W Industrial Loop
Coeur d'Alene, ID 83815
208-769-1525/FAX 208-769-1524

MEMORANDUM

TO: Chad Ramsay, Lands Resource Supervisor
FROM: Jeremy Shawver, Lands Section Manager Timber Sales & Contract Admin
DATE: November 21, 2022
SUBJECT: Big Fork Cedar (CR-20-0405) Timber Sale

On November 7th, 2022, Jeremy Shawver, Kyle Seigley, and Spencer Hanson, Timber Bureau representatives, visited the Big Fork Cedar (CR-20-0405) Timber Sale on the Pend Oreille Area for a field review. This occurred prior to harvest to discuss the proposed silvicultural prescription of a clearcut unit over 100 acres. Attendance also included Chad Ramsey from Operations.

The Big Creek Cedar TS resides in sections 5 and 6 of T 57 N R 03 W. Public school endowment owns both sections.

The group parked near the confluence of the North Fork Big Creek and Big Creek. The group proceeded by foot on the 2-mile, snowy hike to the timber sale unit (Image 1). Once arriving at the unit (110 acres), the group began their ascent across the proposed harvest area. Relic stumps and jammer roads indicate some level of selective harvesting had taken place during the first half of the 20th century (Image 2). Past harvesting has rendered the stand to its current state with high defect timber of late seral species such as western hemlock, grand fir, and western redcedar. There was a sparse component of early seral species, western larch and Douglas-fir. The desired seral species of good quality were even more scarce (Image 3). The group discussed the presence of Indian paint fungus in the grand fir and western hemlock (Image 4). With the average age being well over 100 years old, there were trees with a high level of defect and damage.

As the group continued through the unit, discussions of harvesting systems and reforestation plans were discussed. The unit's primary access is only available from a road above where the group started their hike. This would require the unit to be harvested with cable systems with long line capabilities. The artificial reforestation in

the adjacent management areas has been highly successful along with natural regeneration occurring. The area plans to plant the area with western larch and western white pine. Both species are resistant to root disease. With the anticipation of natural regeneration, the area plans to plant at a wider spacing than normal. Planting will help establish the desired seral species supplementing the anticipated natural regeneration, grand fir and western hemlock, that are more susceptible to root disease. After the group finished their hike around the unit, they began their journey back to the vehicle.

The Timber Management Bureau recommends that the area proceeds with Big Creek Cedar timber sale clearcut unit. A clearcut is the most economically and silviculturally justified treatment for the stand. As the unit is cable ground, a second entry to harvest a very light seed tree is not an economical option. The site is very productive, and the area will benefit from planting a smattering of desired seral species to supplement the anticipated natural regeneration. The Bureau supports this activity considering maximizing revenue to the Public School Endowment.



Image 1 – Snowy hike



Image 2 – Relic stump from past management



Image 3 – Stand composition



Image 4 – Root rot pocket

NT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Endowment Administrative Sites

Question Presented

Shall the Land Board approve the proposed policy regarding endowment administrative sites?

Background

As the administrative arm of the Idaho State Board of Land Commissioners (Land Board), the Idaho Department of Lands (Department) implements Land Board direction, including managing endowment lands to maximize the long-term financial return to the beneficiaries. The Department has offices and other facilities in various locations to facilitate endowment resource management, protection, and regulatory programs. A number of those administrative sites are located on endowment land, have been used historically for endowment purposes, and are essential for implementation of Land Board direction.

Discussion

Advertisement and leasing of the administrative sites may increase endowment expenses if the Department or its partners must pay additional costs, or if the administrative site must be moved to an alternate location. Alternate locations may not be available or feasible for the purpose of the current site.

The proposed policy (Attachment 1) states that administrative use, by the Department or its partners, of endowment-owned parcels and buildings for endowment resource management, protection, and regulatory programs will not be considered a disposition and is therefore exempt from the requirement to advertise and lease. The uses include administrative offices, employee housing, and other facilities directly related to endowment resource management, protection, and regulatory programs.

Other uses of endowment lands, including by agencies or partners for purposes other than those described above, is not considered administrative use. Endowment parcels and buildings authorized for use as administrative sites are shown in Appendix A to the proposed policy.

The proposed policy also provides specific governance for the administrative use of endowment parcels and buildings, summarized below:

- A. Additional parcels or buildings must be approved by the Land Board.

- B. Administrative sites shall be limited to the minimum number of parcels, buildings, and areal extent necessary.
- C. When no longer needed as administrative sites, parcels and buildings shall be made available for leasing or other revenue generating activities.
- D. Other revenue generating activities are allowed on administrative sites provided that the activity is compatible.
- E. Use of administrative sites by partners or other agencies for resource management, protection, and regulatory programs shall be under written agreement.
- F. If the benefitting endowment is not the owning, then the owning endowment shall be compensated as appropriate.
- G. Non-endowment programs shall compensate the endowments appropriately for the use of the administrative site.

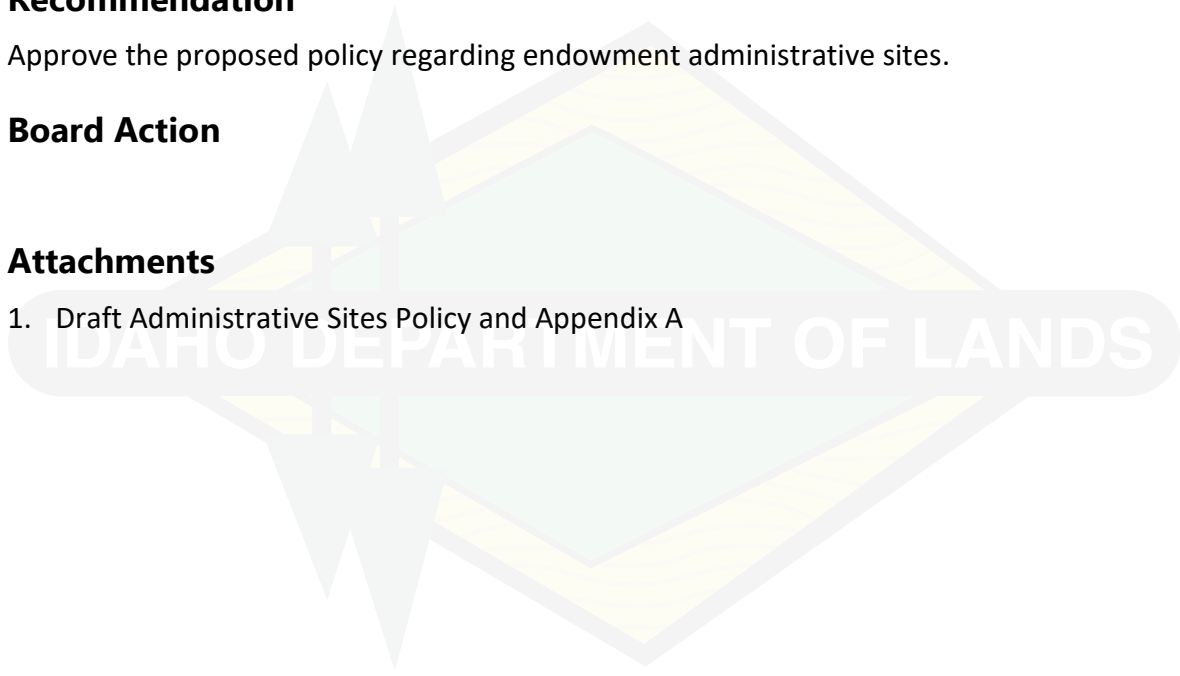
Recommendation

Approve the proposed policy regarding endowment administrative sites.

Board Action

Attachments

1. Draft Administrative Sites Policy and Appendix A





Endowment Administrative Sites Policy

Purpose

This policy provides clarity to the Idaho Department of Lands regarding advertisement and lease of endowment lands and buildings currently used for administrative purposes.

Agency Contact

Deputy Director

Background

Article 9, Section 8 of the Idaho Constitution mandates that endowment lands shall be managed to secure the maximum long-term financial return for the endowment beneficiaries. The Department serves as the administrative arm of the Land Board, implementing Land Board direction to achieve the constitutional mandate.

Specific parcels and buildings owned by the endowments are essential to the Department's endowment resource management, protection, and regulatory programs. Retention and use of the parcels and buildings identified as administrative sites is critical to secure the maximum long-term financial return from endowment lands.

Advertisement and leasing of the parcels and buildings used as administrative sites is likely to increase endowment expenses when the Department must pay additional costs and/or move administrative sites to other locations. Alternative sites may not be available in all cases. The sites addressed by this policy have historically been used for administrative purposes and are critical to achieving resource management and protection objectives.

Policy

I. Administrative Sites

Use of parcels and buildings by the Department for administrative purposes including endowment resource management, protection, and regulatory programs will not be considered a disposition and is therefore exempted by this policy from advertisement and lease.

Use of parcels and buildings for endowment resource management, protection, and regulatory programs includes administrative offices, employee housing, and facilities directly related to traditional resource management, protection, and regulatory activities. Other uses of endowment lands, including by agencies or partners for purposes other than those described above, is not considered administrative use and is not exempted from advertisement and lease by this policy.

Endowment parcels and buildings authorized by this policy for use as administrative sites are listed in Attachment 1.

II. Governance

The administrative use of endowment parcels and buildings is subject to the following conditions:

- A. Any additions to the list of parcels and buildings must be approved by the Land Board.
- B. Administrative sites shall be limited to the minimum number of parcels, buildings, and areal extent necessary to limit the potential impact on long-term financial return.
- C. Parcels and buildings no longer needed as administrative sites shall be made available for leasing or other revenue generating activities upon termination of use.
- D. Other revenue producing uses of administrative sites shall be allowed, provided the activity is compatible with the administrative site.
- E. Use of administrative sites by partners for resource management, protection, and regulatory programs, as described above, shall be under a written agreement signed by the Director.
- F. Where an administrative site is owned by specific endowment and benefits a different endowment or endowments, the Department shall ensure the owning endowment is compensated at the appropriate market rate.
- G. Where administrative sites are used by non-endowment programs the endowments shall be compensated at the appropriate market rate.

Revision History (Board Action)

DATE	
	New Board policy to enable use of a discrete list of lands and buildings as administrative sites by the Department and limited partners when deemed essential to land and resource management.

Appendix A - Administrative Sites On Endowment Land

Administrative Site Location	Site Description	City/Vicinity	County	Legal Description	Endowment	Acres	Need
Priest Lake Supervisory Area	Field office and parking carport	Coolin	Bonner	T60N R04W Sec. 26	PS	5	IDL supervisory area office buildings and grounds at Cavanaugh Bay
Priest Lake Supervisory Area	Three single family residences	Coolin	Bonner	T59N R04W Sec. 10	PS	6	Housing for area staff
Priest Lake Supervisory Area	Sundance lookout tower	Coolin	Bonner	T59N R03W Sec. 5	PS	2	Fire lookout manned during fire season
Priest Lake Supervisory Area	Lookout lookout tower	Coolin	Bonner	T63N R03W Sec. 31	PS	2	Fire lookout site historically manned during fire season
St. Joe Supervisory Area	Boehl's camp	Floodwood State Forest	Clearwater	T41N R04E Sec. 12, 13	PS	12.1	Remote field camp for IDL timber management and CPTPA fire suppression
St. Joe Supervisory Area	Boehl's camp airstrip	Floodwood State Forest	Clearwater	T41N R05E Sec. 5	PS	0.07	Remote airstrip for fire suppression aviation resources
St. Joe Supervisory Area	Boehl's camp airstrip	Floodwood State Forest	Shoshone	T42N R05E Sec. 31	PS	1.4	Remote airstrip for fire suppression aviation resources
St. Joe Supervisory Area	Boehl's camp airstrip	Floodwood State Forest	Shoshone	T42N R05E Sec. 32	AC	2.73	Remote airstrip for fire suppression aviation resources
Craig Mountain Field Office	Joseph Plains Camp (fire/spike camp)	Joseph Plains	Idaho	T29N R01W Sec 16	PS	5	Remote fire camp/spike camp for fire suppression
Payette Lakes Supervisory Area	Field office	McCall	Valley	T18N R03E Sec. 16	PS	6	IDL supervisory area office buildings and grounds

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Adoption of Endowment Land Exchange Policy

Question Presented

Shall the Land Board approve the policy on Endowment Land Exchange, which provides guidance to the Department for the criteria and process for evaluating proposals to exchange endowment land?

Background

The Asset Management Plan identifies the need for the Land Board Investment Subcommittee (Investment Subcommittee) to approve a land exchange policy that provides guidance to the Idaho Department of Lands (Department) for exchanging endowment land. The Department, working with the Office of the Attorney General, composed the draft endowment land exchange policy (Attachment 1) for presentation to the Investment Subcommittee.

The Department presented the land exchange policy to the Investment Subcommittee on September 7, 2021. The land exchange policy was discussed in detail, and the Investment Subcommittee authorized the endowment land exchange policy for presentation to the Land Board for approval.

At the November 21, 2021 Land Board meeting this item was presented. The Department received feedback to revise the policy and firm up parts of the process. This new policy has incorporated that feedback.

Discussion

As the trustee for and acting in the best interest of endowment land beneficiaries, the Land Board has the power and discretion to exchange properties of equal values with federal agencies, other State of Idaho agencies, or private landowners.

The Department has completed and is in the process of completing numerous land exchange transactions under the authority of Idaho Code §§ 47-701(3), 47-711, 58-104(8), 58-133, 58-138, 58-505, and in accordance with the mandates in the Idaho Constitution Article IX, §§ 7 and 8. Those land exchange projects have provided benefits to the endowments including: blocking up larger parcels of existing endowment lands, adding or improving access to existing endowment lands, and other benefits, such as donated land value in some transactions when the exchange land is more valuable than the endowment land.

As the state of Idaho's population continues to grow, so will the opportunities and, potentially, the complexity of exchanges. Therefore, the Department and the Investment Subcommittee agree that this Land Board policy on exchanging endowment land is a timely and prudent guidance document.

Recommendation

Adopt the Endowment Land Exchange Policy.

Board Action

Attachments

1. Draft Endowment Land Exchange Policy





Endowment Land Exchange

Purpose

To provide State Board of Land Commissioners' (Land Board) guidance to Idaho Department of Lands (IDL) for the criteria and process for evaluating exchanges of endowment lands

As the trustee for and acting in the best interest of endowment beneficiaries, the Land Board has the power and discretion to approve or reject any proposed land exchange. Given the broad discretion granted to the Land Board, this policy will assist applicants and IDL staff in evaluating the merits of a particular land exchange and establish the process for an exchange.

Scope

The criteria and text contained within this policy document are intended as guidance only. Legal requirements, which shape the Land Board's review of land exchanges, are found within the following constitutional and statutory provisions:

1. Idaho Constitution Article IX, §§ 7 and 8
2. Idaho Admission Bill §§ 5 - 12
3. Idaho Code §§ 47-701(3), 47-711, 58-104(8), 58-133, 58-138, 58-505

Agency Contact

Real Estate Services Bureau Chief

Policy

IDL will evaluate proposals for land exchange, whether with private parties or other public entities, using the legal authorities set forth above, guided by the criteria set forth in this policy. IDL may recommend approval of an exchange proposal, and the Land Board may approve an exchange, if the exchange is in the best interest of and maximizes the long-term financial return to endowment beneficiaries.

I. Land Exchange Initiation

- A. A land exchange proposal may be initiated by IDL, a private party, or a government entity. IDL and the exchange proponent(s) (Proponent) should meet prior to the exchange application's filing. That pre-application meeting may occur at the local Supervisory Area (Area) office or with the Real Estate Services (RES) Bureau in the Boise staff office. The pre-application meeting, although not mandatory, is critical in setting expectations.
- B. The optional pre-application meeting between the Proponent and IDL should focus on the exchange process, expense, and timeframe. IDL will provide guidance for desired outcomes in exchanges, including the criteria that IDL will use to evaluate the exchange proposal. If the Proponent does not own the land they would like to exchange, IDL will not direct the Proponent regarding which lands the Proponent should acquire for exchange. Upon completing the pre-application meeting, the Proponent may submit an application and the required application fee of \$1,000.

II. Application Evaluation

- A. Upon receiving the application from the Proponent, the RES Bureau will review the application with the Area and check for completeness and accuracy including verification of land ownership with land records. If the application is complete and accurate, the RES Bureau and Area will begin the initial review of the proposed exchange, including estimating whether the land the Proponent wishes to exchange (Proponent's Land) is similar in value to the endowment land that is the subject of the proposed exchange (Endowment Land). The RES Bureau will rely on comparable properties that are active, pending, or sold to estimate the range of land values involved in the exchange. Additional valuation data may be obtained by studying statewide market conditions and consulting local real estate brokers regarding the local market conditions. If the Proponent's Land appears to be valued at 90% or less of the Endowment Land, the Proponent will be notified that the exchange application will be denied unless they include additional lands as part of the exchange. IDL may exchange into more valuable lands if the Proponent is willing to donate the remaining value to the endowments.
- B. The RES Bureau may, at its discretion, contract with third-party advisors to assist at any stage of an exchange evaluation.
- C. If the Proponent's and Endowment Lands are determined to be similar in value, the RES Bureau will further review the proposal using the following Land Exchange Criteria (Criteria):
- **Equal or Greater Value:** Land acquired by the State must be at least as valuable as the Endowment Land. The value of Endowment Lands should be determined by the highest and best use of the land. For example, if the exchange were proposed in which the Endowment Lands were currently leased for grazing, and the land was in the path of urban or commercial development, the land would be appraised by a Member of the Appraisal Institute ("MAI") for its highest and best use rather than the existing use as grazing land.
 - **Consolidation of Endowment Lands:** Consideration will be given to a land exchange that results in the consolidation of existing endowment lands.
 - Consolidation should produce additional benefits that may be covered by other criteria such as economies of scale, reduced management costs, or access.
 - The land exchange should be neutral in its net effect on the consolidation of endowment land, and not further fractionalize endowment land holdings by creating isolated parcels of endowment land.
 - **Access:** Consideration will be given to a land exchange where the land acquired by IDL will improve access to existing endowment lands.
 - After the exchange, the lands acquired by the endowments must have feasible and legal access.
 - A land exchange should not diminish the amount or quality of access to existing endowment lands.

- **Equal or Greater Income to the Trust:** Consideration will be given to a land exchange that results in the State receiving equal or higher revenue for the endowments. The potential income from the Proponent's Land will be compared to the current income from leases, licenses, and other sources of the Endowment Lands. For comparison purposes, IDL will also consider identifiable future incomes, including income from the extraction of natural resources such as minerals and forest products.
 - **Potential for Long-term Appreciation:** Consideration will be given to a land exchange where the Proponent's Land is likely to increase in value or revenue potential at a greater rate than the Endowment Land. IDL and the Land Board must protect the long-term financial interests of the trusts.
 - **Proponent's Land:** The Proponent must show evidence of ownership or an ability to acquire through a valid, unredacted contract on the land they are proposing to exchange. In addition, the Proponent must provide proof of funds or a letter of credit confirming that the buyer has an adequate source of funding to complete the purchase. This requirement may be waived if the buyer is a government or tax-supported agency.
 - **Disguised Sale:** If any of the below criteria are met when reviewing applications, IDL should seek legal advice from the Office of the Attorney General to determine if the transaction may be considered a disguised sale.
 - The lands to be exchanged are significantly different in type or value.
 - The Proponent does not own the land being offered for exchange or cannot prove the ability to purchase and close prior to completion of the potential land exchange. The potential exchange would require a significant cash contribution due to differences in valuation.
 - The proposed exchange involves more than two parties.
 - The endowment land is located within a rapidly appreciating real estate market.
- D. IDL may determine whether to pursue or continue an exchange based on the most significant quantifiable benefit to the endowment. Applications that do not meet the criteria above, do not satisfy the constitutional mandates of Article IX, § 8 of the Idaho Constitution, or are likely to be considered a disguised sale, may be rejected by the RES Bureau Chief or Area Manager. If the application is determined to be in the best interest of the endowment by meeting some or all of the criteria, the RES Bureau Chief will present the exchange to the Asset Management Steering Committee.

III. Asset Management Steering Committee Review

- A. The Asset Management Steering Committee (AMSC), which is composed of the Director, the Deputy Director, the Division Administrator of Trust Land Management, and the Division Administrator of Operations, provides direction to the RES Bureau for land exchanges, acquisitions, dispositions, and complex leases.
- B. Land exchange proposals approved by the AMSC will be presented to the Land Board for its approval for IDL to proceed with due diligence, including but not limited to the appraisal and fair market value determinations described in Idaho Code § 58-138(5) and (6).

- C. IDL will provide the Proponent written notice within 30 days of the AMSC's decision to approve or deny the application.
- D. If the AMSC approves the land exchange concept, IDL will notify via certified mail the surrounding property owners of the Proponent's land and the endowment land, the existing IDL lessees, and county commissioners. The initial request to complete the land exchange will include any comments received. Communications with potentially affected interests will continue throughout the process.

IV. Land Board Initial Approval

Acting under the direction of the AMSC, IDL will prepare a memorandum for the Land Board requesting approval to proceed with the formal due diligence analysis of the exchange.

The request to the Land Board will focus on the benefits and potential concerns identified in the criteria set forth in Section II. In addition, the proposal must include maps, a due diligence budget, a term sheet, and any other pertinent information that will assist the Land Board in determining if the land exchange is in the best interest of the endowments.

V. Formal Due Diligence

- A. Upon receiving Land Board approval, IDL will complete the due diligence required for the exchange, with assistance from the Proponent as needed. The due diligence must align with what a prudent investor would require for land acquisition and disposition. A list of the potential due diligence items is attached to this policy as Attachment 1. The due diligence reports must name IDL as a client, and the RES Bureau will draft the scope of work. If appropriate, the RES Bureau will work with third-party experts to develop a scope of work to ensure the endowment's interests are protected.
- B. Once the appraisals are completed, IDL will review the report with the Proponent to determine if adjustments to the land involved in the exchange are necessary. Exchanges may have a delta in appraised value, but if the Proponent's land is appraised at 90% or less of the endowment land, the lands proposed in the exchange will need to be adjusted. The Proponent may bring up to ten percent (10%) of the appraised value in cash to equalize the value of the exchange.
- C. Upon completion of due diligence, the RES Bureau will present a detailed report and its recommendation to a third-party expert advisor for review and comment. Upon receipt of the advisor's comments, and report if one was requested, IDL will present the land exchange proposal to the Land Board for final consideration.
- D. If information obtained during or as a result of the formal due diligence process shows that the exchange is no longer in the best interest of the endowments, the Director may terminate the exchange. If the exchange is terminated or if the Proponent withdraws from the exchange, the Director will provide an update at the next regular Land Board meeting.

VI. Land Exchange Agreement

A land exchange agreement must be drafted and principally agreed upon by the Proponent and IDL before presenting the land exchange to the Land Board for final approval. This agreement will include, but is not limited to, the legal descriptions of the lands involved, appraised values,

additional terms of the transactions, due diligence expenses, legal access, how title is conveyed, closing costs, title insurance, appurtenances to the land, mineral rights, encumbrances, representations, and warranties of both parties.

VII. Land Board Final Approval

- A. The memorandum seeking the Land Board's final approval to close the exchange will highlight the benefits to the endowments related to the land exchange criteria, a third-party review and recommendation, the draft land exchange agreement, and any relevant due diligence that the Land Board should consider when deciding whether to approve the land exchange. The Land Board may disapprove of any exchange, which, in its discretion, would not be advantageous to the endowments or is otherwise inconsistent with the Land Board's trustee obligations as set forth in Article IX, § 8 of the Idaho Constitution.
- B. Following the Land Board's final approval, the RES Bureau will work with the appropriate internal departments (e.g., Fiscal, Land Records) and the Office of the Attorney General to prepare final documentation for signature by the Director and Proponent.

Revision History

MM/DD/YYYY Version 1.0 – First approved iteration of this policy.

This policy should be reviewed for necessary updates within five years.

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Future of the Cottage Site Leasing Program

Question Presented

Shall the Land Board adopt the Cottage Site Residential Leasing Plan Beyond 2024?

Background

The leasing of State Endowment Trust Land for use as residential sites, known as cottage sites, has been active since the early 1900s. In a typical cottage site lease, the lessee has a leasehold interest in the cottage site land while owning and maintaining approved residential structures, creating a split estate.

On February 16, 2010, the State Board of Land Commissioners (Land Board) directed the Idaho Department of Lands (Department) to unify 523 cottage site split estates. Since 2011, the annual auction cycles have resulted in the transition of 481 cottage site lots to private ownership (156 lots at Payette Lake and 325 lots at Priest Lake) for a total of \$253,698,625 to the endowments.

On December 19, 2017, the Land Board approved the 2018 Cottage Site Leasing Plan. This plan provided lessees the option to continue participation in the Voluntary Auction for Ownership (VAFO) Program through December 31, 2024, with the goal of unifying the split estate on as many cottage sites as possible during that time.

Currently, there are 48 remaining cottage sites, with 19 cottage site lessees having expressed interest in upcoming VAFO cycles. An estimated remaining 29 cottage sites will need to be leased beyond the 2024 calendar year (Attachment 1).

Discussion

In 2021, the Department began to plan and develop a path forward for the cottage site leasing program beyond 2024. The Department proposed three options for the future of cottage site leases:

Option 1 – Long-term ground lease (30 years) with improvements reverting to the State

Option 2 – Long-term lease (30 years) ending in auction of entire estate

Option 3 – Short-term lease (10 years) ending in auction of the lease

In February 2022, letters were sent to 43 cottage site lessees outlining the above options and requesting their feedback as to which options were of interest (Attachment 2). The Department received feedback from 15 lessees; their responses are shown in Table 1.

Table 1 – Survey Results

Cottage Site Leasing Options	Number of Interested Lessees*
Option 1 – Long-term ground lease with improvements reverting to the State	2
Option 2 – Long-term lease ending in auction of estate	7
Option 3 – Short-term lease ending in auction of lease	6
Other/None of the proposed options	2

*Some lessees indicated support for more than one option; a total of 15 lessees responded.

In addition to lessee surveys, the Department gathered information relating to residential leasing programs operated by other western states. A summation of that information is in Table 2.

Table 2 – Residential Leasing in the Western States

State	Lease Rate	Notes
Montana	5% of appraised land value	Lease fee determined at auction and is first year's rent. Each year thereafter rate increases by 2% for 15 years. Rent is adjusted at 15 years (or renewal) to 5% of appraised land value. 2% increase remains for life of lease.
Utah	5 times the value of the land	Utah's residential leasing portfolio is nearly all comprised of cow camp/ranch cabins along grazing routes on low value land. Most are 20-30 years in length. Minimum policy for rent is \$5,000/year.
Colorado	N/A	The few residential leases are handled as a commercial ground lease which includes annual base payments or gross receipt rent, escalations of rent of either flat percentage or CPI, lease length of 35-49 years, and the lessee owned improvement reverts to the State at the end of the lease.
Nevada	N/A	No equivalent program/leases.
New Mexico	N/A	No true analogue exists to cottage site leases. They do lease "Homestead" sites, which are residential improvements associated with a grazing or agricultural lease. Rent is negotiated on a case-by-case basis.
Wyoming	5.5% of appraised land value	Lease terms are generally 25 years with a 5-year reappraisal cycle. If able, they may use comparable properties to determine rent.

After considering lessee feedback, market information, and gauging lessee interest, the Department proposes offering the following options to cottage site lessees (Attachment 3).

Option 1 – Long-term Lease: 15-year lease, ending in auction of the entire estate, at the Department's discretion. Rent for this option would be 5% of appraised value with a 5-year re-appraisal cycle. Rent will also include an annual increase that is determined by CPI or a flat rate of 3%, whichever is greater.

Option 2 – Medium-term Lease: 10-year lease ending with the auction of the entire estate, at the Department's discretion. Rent will be 4.5% of appraised value with re-appraisal occurring every 5 years. Rent will also include an annual increase that is determined by CPI or a flat rate of 3%, whichever is greater.

Option 3 – Short-term Lease: 5-year lease ending with the auction of the entire estate, at the Department's discretion. Rent will be 4% of appraised value with an annual increase that is determined by CPI or a flat rate of 3%, whichever is greater.

Other Considerations:

Voluntary Auction for Ownership (VAFO) opportunities will still be available to all lessees, though not on an annual basis. The Department will determine future VAFO dates (likely every 3-5 years) to maximize revenue while balancing the costs of administering the auction. The level of lessee interest will also play a vital role in the frequency of VAFO cycles.

Recommendation

Adopt the 2025 Cottage Site Leasing Plan

Board Action

Attachments

1. VAFO/ULA History and 2024 Projections
2. February 2022 Cottage Site Leasing Options Letter
3. Cottage Site Leasing Options Chart

VAFO History / 2024 Projections

As of 11/21/2022

Payette Lake Cottage Sites																
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Lots Sold / VAFO	0	2	0	13	21	51	30	14	9	8	0	0	2			156
Remaining Lots	168	166	166	153	132	81	51	37	28	20	20	20	18			
Expressed interest in future VAFO cycle														0	0	
Remaining Lots after future														18	18	
Priest Lake Cottage Sites																
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Lots Sold / VAFO	0	0	0	0	59	43	43	57	50	29	18	16	10			325
Remaining Lots	355	355	355	355	296	253	210	153	103	74	56	40	30			
Expressed interest in future VAFO cycle														10	9	
Remaining Lots after future														20	11	
Priest & Payette Lake Cottage Sites																
								2017	2018	2019	2020	2021	2022	2023	2024	
Lots Sold	0	2	0	13	80	94	73	71	59	37	18	16	10			481
Remaining Lots	523	521	521	508	428	334	261	190	131	94	76	60	48			
Expressed interest in future VAFO cycle														10	9	
Remaining Lots after future cycles														38	29	

Payette 18 of 168 lots left = 11% or 156 sold of 168 93%

Priest 30 of 355 lots left = 8% or 325 sold of 355 92%

Both Lakes 48 of 523 lots left = 9% or 481 sold of 523 92%

TRUST LAND MANAGEMENT DIVISION
IDAHO DEPARTMENT OF LANDS
300 N 6th Street
Boise, ID 83702
Phone (208) 334-0200
Fax (208) 334-3698



STATE BOARD OF LAND COMMISSIONERS
Brad Little, Governor
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, Sup't of Public Instruction

February 24, 2022

Re: Future of the Cottage Site Leasing Program

Dear Cottage Site Lessee:

On November 16, 2021, the Idaho Department of Lands (Department) received approval from the Idaho State Board of Land Commissioners (Land Board) to begin outreach to existing cottage site lessees to gauge interest in various leasing options for the future of cottage site leases.

Considering the approaching expiration of the leased cottage sites, the Department is considering three options for fulfilling the Land Board's directive to "unify the estate" of each site. Based on feedback received from existing lessees, the Department will present a plan to the Land Board in August 2022.

Option One – Long-term Ground Lease: The Department will offer a lease consistent with terms typically found in private ground leases. In particular, the lessee owns existing improvements or may elect to construct improvements on the leased cottage site for the duration of the lease, but the ownership interest in the improvements will revert to the endowment at the close of the lease term, thereby unifying the land estate.

The lease length (i.e., term) for cottage sites under Option One will be 30 years to provide long-term security to lessees while supporting the transition of full ownership to the endowment. A lease rate and reappraisal schedule will be established by the Department by working with third-party advisors and the Office of the Attorney General (OAG) to set a market rate and leasing structure in the endowment beneficiaries' best interests. In addition, this option will not allow for periodic Voluntary Auction for Ownership (VAFO) cycles.

Option Two – Long-term Lease ending in Auction of the Entire Estate: The Department will offer a 30-year lease term that eliminates the split estate through a mandatory auction for the improvements and real property at the end of the lease. Option Two will have the highest lease rate among the options because of the long-term security for the lessee and the possibility for lessee compensation for lessee made improvements at the end of the lease term. Lessees who are unsuccessful in winning the final auction for the entire estate, under this option, shall be compensated by the winning bidder for the value of improvements made by lessee, as valued by a third-party appraiser selected by the Department. This option will allow for periodic enrollment by lessees into the VAFO process, as determined by the Department.

Option Three – 10-year Lease Ending in Auction of Lease: A final option for the remaining lessees will be a 10-year lease term structured similarly to the current lease. Option Three will offer lessees a periodic option to participate in the VAFO process. This option provides flexibility to the lessee and will be offered at a slightly lower rate than Option Two. However, this lease structure provides more opportunities for interested parties to apply and participate in a lease auction at the end of the lease term and does not unify the estate.

IDL would appreciate your feedback on the proposed options as we gauge lessee interest in the proposed options. Please email your desired option and any comments to: comments@idl.idaho.gov, with the subject line “Future of Cottage Sites.” Alternatively, you may provide feedback by completing and returning the comment form on page 3.

Respectfully,

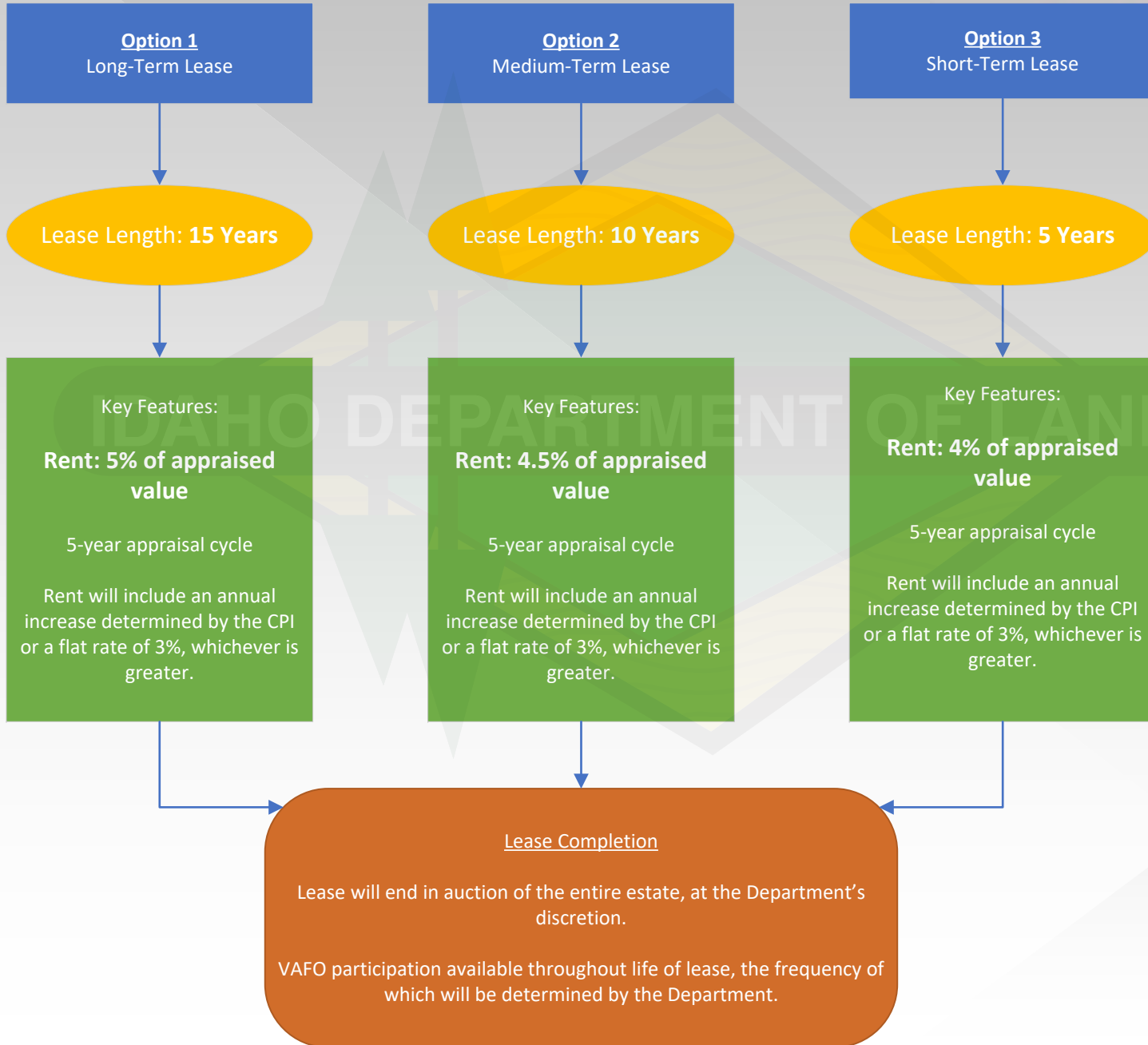
The logo for the Idaho Department of Lands is a large, stylized diamond shape. It features a light green center with a yellow border, all set against a light blue background. The text "IDAHO DEPARTMENT OF LANDS" is written in white, bold, capital letters across the middle of the diamond.

IDAHO DEPARTMENT OF LANDS

Josh Purkiss
Real Estate Services Bureau Chief

Enc.\1 - Cottage Site Lessee Comment Form

2025 Cottage Site Leasing Plan Options



STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Updating Land Board Policies for Meetings

Question Presented

Shall the Land Board adopt the proposed changes to the *Guidelines for Regular and Special Meetings of the State Board of Land Commissioners*, superseding prior decisions pertaining to meeting administration?

Background

The Idaho State Board of Land Commissioners' (Land Board) policy for guiding the conduct of its meetings is an amalgam of tradition and historic Land Board actions that define meeting dates and locations, allow for a quorum of members to conduct business, and provide for the informal application of Roberts Rules of Order. These traditions and actions have been compiled into the Land Board Meetings Policies (Attachment 1).

Discussion

The current *Guidelines for Regular and Special Meetings of the State Board of Land Commissioners* fail to provide clear guidance on key issues relating to the conduct of Land Board meetings. To improve transparency and provide greater certainty for constituents with business before the Land Board, the Idaho Department of Lands (Department) undertook a thorough review of the Land Board's meeting policies and unofficial practices. The Department proposes policy changes for the Land Board to consider relating to the conduct of its meetings (Attachment 2).

The Department recommends that the Land Board amend its meeting guidelines to clarify what constitutes a quorum, majority vote, and two-thirds vote; specify that any Land Board member or the Secretary (Director of Department of Lands) may request items on a meeting agenda until the draft agenda is distributed; delegate to the Secretary to manage requests to appear before the Land Board; establish a two-thirds vote to suspend rules; prohibit voting by proxy; and eliminate redundant provisions for appealing decisions and the subscription service for meeting notices and agendas.

- **Quorum:** Action taken by the Land Board on September 21, 1977, allowed for action to be taken by the Land Board when a quorum was present at a meeting, but did not specify the number of members who must be present to constitute a quorum. The Department recommends updating Land Board policy to specify a quorum consists of at least three Land Board members (Guideline 1.d.).

- **Majority vote:** Since the Land Board has not adopted a specific version of Roberts Rules of Order, the current meeting policy does not delineate if a majority vote consists of more than half of those voting, or the votes of more than half of Land Board members present. The Department recommends updating Land Board policy to specify a majority vote consists of votes by more than half of those present (Guideline 1.c.).
- **Two-thirds vote:** Since the Land Board has not adopted a specific version of Roberts Rules of Order, the current meeting policy does not delineate if a two-thirds vote consists of at least two-thirds of those voting, or the votes of at least two-thirds of Land Board members present. The Department recommends updating Land Board policy to specify a two-thirds vote consists of votes by at least two-thirds of those present (Guideline 1.f.).
- **Meeting agenda:** The Department relies on tradition and two specific actions taken by the Land Board to guide how the agendas for regular and special meetings are set. On January 28, 1975, the Land Board agreed it would only consider items included on the agenda, and it voted on February 14, 1978, to allow any Land Board member to request the Secretary to include an item on the agenda. The Department recommends updating Land Board policy to allow any Land Board member or the Secretary to request item(s) be placed on regular and special meeting agendas until the draft agenda is distributed by the Secretary (Guideline 4.a.).
- **Appearances before the Land Board:** Periodically, individuals request to appear before the Land Board, but the Land Board has never codified the process for vetting these requests. To provide certainty of process and transparency for requesters, the Department recommends vesting the authority to grant or deny requests to appear before the Land Board with the Secretary (Guideline 5.a.).
- **Suspending rules:** The Department can find no evidence of Land Board action to address the margin of votes required to suspend the Land Board's rules. Various parliamentary systems address the suspension of rules either by requiring unanimous or two-thirds votes. The Department recommends updating Land Board policy to require a two-thirds vote to suspend rules (Guideline 6.b.).
- **Proxy votes:** By tradition, the Land Board has not allowed members absent from a regular or special meeting to vote by proxy. The Department recommends updating Land Board policy to prohibit proxy voting (Guideline 6.d.).
- **Appealing decisions:** Since provisions of Title 67, Chapter 52 and Title 58, Chapter 1, Idaho Code, along with IDAPA 20.01.01 address appealing decisions of the Department and Land Board, it is unnecessary to include this guidance in Land Board policy (Guideline 6.c.).

- **Board subcommittees:** While Land Board policy currently allows committees or subcommittees to include up to three members, by tradition, they generally include only two Land Board members. The Department recommends updating Land Board policy to set subcommittee membership at two Land Board members (Guideline 9.).
- **Meeting notices and agendas:** The Idaho Open Meeting Law provides explicit guidelines the Land Board follows when noticing public meetings and publishing meeting agendas. Over time, constituents requested the Department to provide monthly notifications of Land Board meetings via mail, fax, or email. Given the broad availability of access to the Department's website to obtain this meeting information, the Department recommends updating Land Board policy to remove the subscription notification service and require that notice of public meetings is posted to <https://townhall.idaho.gov/> (Guideline 10.a.).

Recommendation

Adopt the proposed changes to the *Guidelines for Regular and Special Meetings of the State Board of Land Commissioners*, superseding prior decisions pertaining to meeting administration.

Board Action

Attachments

1. Land Board Meetings Policies
2. Proposed changes to Meeting Guidelines



Idaho Department of Lands
Agency Guidance Document
Director's Office
Boise Staff Office
(208) 334-0200
comments@idl.idaho.gov

Land Board Meetings Policies

This guidance document is not a new law. This document is an interpretation of existing law, except as authorized by Idaho Code or incorporated into a contract.

Agency Contact

Policy and Communications Chief

Contents

Index

1. Guidelines for Regular and Special Meetings
2. Monthly Land Board Meeting Date
3. Land Board Meeting Locations
4. Quorum at Meetings

IDAHO DEPARTMENT OF LANDS

Index – Board Meetings

Attached Land Board Policy	Date	Remarks
1. Guidelines for Meetings	06/23/2020	Unofficial Guidelines for the Conduct of Meetings
2. Monthly Land Board Meeting Date	05/15/2008	Change regular Land Board meeting date to the third Tuesday of every month. Within this policy, it is recognized that the Board may call a regular meeting at any time as prescribed by law and may vary from the third Tuesday as deemed necessary.
3. Land Board Meeting Locations	01/15/2013	The Board will hold some meetings outside of Boise; dates and locations to be decided at a future time, as appropriate. (Rescinds May 8, 2007 Board action.)
4. Quorum at Meetings	09/21/1977	When the full attendance of the Land Board is not at the meeting, but that a quorum exists, the Board will proceed to dispose of the matters unless one of the absent members has written a request that they be held.

IDAHO DEPARTMENT OF LANDS

1. Guidelines for Meetings

Attachment

Guidelines for Regular and Special Meetings of the State Board of Land Commissioners

Contents:

- 1) Definitions
- 2) General Provisions
- 3) Meetings
- 4) Meeting Agenda
- 5) Appearances
- 6) Conduct of Meetings
- 7) Reconsideration of Prior Board Decisions
- 8) Policy Review
- 9) Board Committees and Subcommittees
- 10) Public Notice – Meeting Notices and Agenda



IDAHO DEPARTMENT OF LANDS

GUIDELINES FOR REGULAR AND SPECIAL MEETINGS OF THE STATE BOARD OF LAND COMMISSIONERS

GUIDELINE 1. DEFINITIONS

1.a. "Board" means the State Board of Land Commissioners. The Governor is the President of the Board.

1.b. "Secretary" means the Secretary to the Board and the Director of the Department of Lands.

1.c. "Department" means the Department of Lands.

GUIDELINE 2. GENERAL PROVISIONS

2.a. Procedure governed. These guidelines shall govern all practice and procedure before the Board and the Department during regular and special meetings of the Board. Contested case hearings held by the Board, or the Department, shall be conducted under the Rules of Practice and Procedure before the State Board of Land Commissioners, IDAPA 20.01.01.

2.b. The principal offices of the Board and the Department will be located in or near the Statehouse Mall, presently 300 North 6th Street, Suite 103, Boise, Idaho 83702.

2.c. Written communications and documents concerning any matter covered by these guidelines should be addressed to the Secretary, State Board of Land Commissioners, Idaho Department of Lands, PO Box 83720, Boise, Idaho 83720-0050, or to the Director, Idaho Department of Lands, at the same address. All communications and documents are deemed to be officially received when delivered to the Board's principal office.

2.d. Identification. Communications should be specific to the subject(s) at issue and should be identified by the name and address of the communicant. When the subject matter pertains to a proceeding, the proceeding should be identified by appropriate name, number, or otherwise.

2.e. Liberal construction. These guidelines shall be liberally construed to secure just, speedy, and economical determination of all issues before the Board.

GUIDELINE 3. MEETINGS

3.a. The regular meeting of the Board shall be held on the third Tuesday of every month, commencing at 9:00 a.m., Mountain time, provided that a quorum of the Board is present.

3.b. Special meetings, as defined by Idaho Code § 74-202(6)(b), may be held at such times and places as the Board may designate on the call of the President or a majority of the Board. (Idaho Code § 58-103).

3.c. Executive sessions. The Secretary or any member of the Board may request an executive session in accordance with the Open Meeting Law, Idaho Code §§ 74-201 through 74-208.

GUIDELINE 4. MEETING AGENDA

4.a. Meeting agenda. Any member, or the Secretary, may place an item on the agenda for consideration of the Board until the agenda has been distributed by the Secretary. All matters for consideration by the Board in its regular meeting shall be communicated in writing to the Secretary no less than twenty (20) days preceding the date for the regular meeting. Only Board members and the Secretary may request a late addition (supplemental agenda item) to the agenda. Such supplemental agenda items may only be considered upon unanimous consent of the Board. The Secretary shall circulate the agenda to Board members no less than five (5) days preceding the date for the regular meeting.

4.b. Upon written notice to the President of the Board and the Secretary, any member who will not be present at a meeting may request to have an item removed from the agenda and that item shall not be considered. However, the item shall be considered at the next meeting of the Board unless, by unanimous consent, the Board agrees to further postponement.

GUIDELINE 5. APPEARANCES

5.a. Appearances before the Board. Any person or entity may petition to appear before the Board to request action, review, reconsideration, or special attention of the Board on any matter within the Board's constitutional and statutory responsibilities provided that on all matters within the authority of the Department, the person or entity should first exhaust all remedies within the Department. Any petition shall be given consideration by Board members and, if granted, shall be scheduled on the meeting agenda in accordance with Guideline 4.a. and shall not conflict with these rules concerning hearings, rehearing, or litigation on the same matter.

5.b. When an item before the Board draws a substantial number of visitors having identical or similar views, the presiding officer may ask the group to designate one or two speakers to represent the views of the entire group in the interest of time. If several speakers still wish to be heard, the presiding officer shall advise the audience how much time will be available for such speakers' presentation.

GUIDELINE 6. CONDUCT OF MEETINGS

6.a. Presiding officer. The Governor, as the President of the State Board of Land Commissioners, shall preside at all meetings of the Board. If the Governor is absent, the Secretary of State shall preside; if the Secretary of State is also absent, the Attorney General shall preside.

6.b. Rules of order. In general, meetings of the Board shall be conducted in an informal manner under Roberts Rules of Order; provided, that the Board may suspend the rules at any time by unanimous consent of the members present in order to conduct the business of the Board in a timely and expeditious manner.

6.c. Appeal of Department decision. Whenever the Secretary, acting as the Director of the Department of Lands, shall have rendered a decision in a matter formally appealable to the Board, such appeal shall not come before the Board until the Director shall have reconsidered the decision. Reconsideration may include holding a contested case hearing on the matter if the Director deems it necessary. A hearings officer appointed by the Director shall preside over the hearing, rule on all necessary procedural matters and prepare preliminary findings of fact, conclusions of law, and proposed order for the Director's consideration and final decision.

6.d. Contested case hearings. All contested case hearings held by the Department or the Board shall be conducted in accordance with the Administrative Procedures Act (Title 67, Chapter 52, Idaho Code), and the Rules of Practice and Procedure before the State Board of Land Commissioners, IDAPA 20.01.01.

GUIDELINE 7. RECONSIDERATION OF PRIOR BOARD DECISIONS

Reconsideration of Board decision. Prior to reconsideration of any previous decision concerning the same person, entity, or issue, the Board will first determine new evidence sufficient to justify reconsideration. If a Board member requests reconsideration, that member must have been on the prevailing side in the prior decision.

GUIDELINE 8. POLICY REVIEW

Periodic review of Board policies. The Board may review its policy and practices from time to time upon the motion of any member or petition of the Secretary.

GUIDELINE 9. BOARD COMMITTEES AND SUBCOMMITTEES

Board committees or subcommittees. From time to time the President or a quorum of the Board may create committees to handle specific matters before the Board or the Department. Committees shall consist of two or three members of the Board, appointed by the President of the Board. Committees are empowered only to investigate issues, advise the Department, and recommend policy or action to the full Board. Committees, which involve three Board members, do constitute a quorum of the Board and are subject to the notice provisions of the Open Meeting Law. From time to time the presiding officer, or a quorum of the Board, may appoint outside, interested parties to a committee to obtain the perspectives of others. Such appointments shall be ex officio (non-voting) and shall terminate when the specific issue, for which appointment was made, has been considered by the full Board.

GUIDELINE 10. PUBLIC NOTICE – MEETING NOTICES AND AGENDAS

10.a. Subscription Service. The Department of Lands will maintain a subscription service so that individuals and organizations may make a standing request, in writing, to receive notices of Board meetings and agendas.

10.b. Meeting Notices and Agendas. The Director's office will maintain a subscription list for selected information pertaining to notices and agendas of the State Board of Land Commissioners' meetings. Interested parties may be placed on this list by sending a written request including name, address and telephone number to:

Director
Idaho Department of Lands
300 North 6th Street, Suite 103
PO Box 83720
Boise, Idaho 83720-0050

10.c. Public Records. Additional information pertaining to the above items, if available, will be provided according to procedures governed by the Idaho Public Records Law, upon request, (Idaho Code §§ 74-101 through 74-126) at prevailing Department costs.

2. Monthly Land Board Meeting Date

Attachment

May 15, 2008 approved memo

Summary: Change regular Land Board meeting date to the third Tuesday of every month. Within this policy, it is recognized that the Board may call a regular meeting at any time as prescribed by law and may vary from the third Tuesday as deemed necessary.

The logo of the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a central diamond shape containing a green field and a yellow field with wavy lines. A horizontal banner across the middle of the logo contains the text "IDAHO DEPARTMENT OF LANDS" in white capital letters.

IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS
May 15, 2008
Regular Agenda

SUBJECT

Proposed Meeting Date Change for the Regular Meetings of the State Board of Land Commissioners

BACKGROUND

The State Board of Land Commissioners consists of the Governor, Secretary of State, Attorney General, Controller and Superintendent of Public Instruction. All but the Superintendent also serve on the State Board of Examiners.

Idaho Code 58-103 requires that the State Board of Land Commissioners conduct regular meetings at least quarterly. To accommodate requests from the Endowment Fund Investment Board and the Department of Lands, on July 10, 2007 the Land Board approved moving its regular meeting date to the third Thursday of each. Board of Examiners meetings move in tandem with the Land Board meetings. This meeting date change began with the August 2007 regular meeting.

DISCUSSION

At the April 17, 2008 Land Board meeting, Governor Otter noted that the recurring Thursday Land Board meeting dates conflict with Superintendent Luna's Board of Education meetings. He tasked the Department of Lands to work in conjunction with each Board member's staff to coordinate another meeting date.

After contacting each Land Board member's office, it was determined that the third Tuesday of each month is acceptable.

Off-Site Meetings June and October 2008: Due to off-site meeting arrangements and respective Board member calendars, the off-site meetings scheduled for June 19 and October 16, 2008 will remain as previously scheduled.

Western States Land Commissioners Summer Conference – Boise, July 13-17, 2008: Idaho is hosting the WSLCA summer conference in Boise on July 13-17, 2008. The conference is anticipated to be a premier event that will showcase Boise, the Idaho State Board of Land Commissioners and our well managed endowment lands. Due to the importance of this conference, the meeting date for July 2008 will remain on the third Thursday, July 17, 2008.

The change to the third Tuesday of each month will take effect beginning with the August 2008 meeting. A list of meeting dates, with exceptions highlighted in bold print, is shown below.

Meeting Dates for the remainder of 2008:

Thursday, June 19, 2008 – Pocatello
Thursday, July 17, 2008 – Boise
Tuesday, August 19, 2008 – Boise
Tuesday, September 16, 2008 – Boise

Thursday, October 16, 2008 – Coeur d'Alene
Tuesday, November 18, 2008 - Boise
Tuesday, December 16, 2008 - Boise

RECOMMENDATION

That beginning with the August 19, 2008 regular meeting of the State Board of Land Commissioners, the regular meetings of the Board will generally fall on the third Tuesday of each month to coincide with meetings of the State Board of Examiners. Within this policy it is recognized that the Board can call a regular meeting at any time as prescribed by law and may vary from the third Tuesday as deemed necessary.

BOARD ACTION

A motion was made by Secretary of State Yursa to move the Department's recommendation. Controller Jones seconded the motion. The motion carried on a vote of 5-0.



IDAHO DEPARTMENT OF LANDS

3. Land Board Meeting Locations

Attachment

January 15, 2013 approved memo

Summary: The Board will hold some meetings outside of Boise; dates and locations to be decided at a future time, as appropriate. (Rescinds May 8, 2007 Board action.)

Note: The web address for video and audio streaming provided in the attached memo has changed to <https://www.idahoptv.org/shows/idahoinsession/>.



IDAHO DEPARTMENT OF LANDS

State Board of Land Commissioners
January 15, 2013
Regular Agenda

SUBJECT

Land Board Meetings Outside of Boise

BACKGROUND

At the May 8, 2007 meeting of the State Board of Land Commissioners, the Board decided to hold two regular meetings outside of Boise each June and October (Attachment 1). The intent was to offer the public more personal interaction with the Board. Off-site meetings have been well received, but not always well attended. Nevertheless, these meetings have allowed the Board to interact with some sectors of the public that may not otherwise have such an opportunity. In addition, the Board has provided education to the public about the purpose of endowment lands.

Typically, the Director recommends meeting sites in January each year, so arrangements for travel can be made well in advance. Prior off-site Board meetings have been held in Lewiston, Pocatello, Coeur d'Alene, McCall, Moscow, and Twin Falls.

DISCUSSION

It is important to give Idahoans the opportunity for direct communication with their elected officials. However, meetings outside of Boise have cost the Department between \$3,000 and \$5,000 per occurrence. Costs include transportation, per diem, lodging, meeting rooms, and sound equipment rentals. Agency staff and presenters to the Board of Examiners are also affected, because the Examiners and Land Board meet concurrently. In 2010 the meetings proposed for Sandpoint were cancelled due to the anticipated expenses and ongoing budget concerns. In 2011 and 2012 the Board approved suspending off-site meetings due to budgetary limitations.

Board members have other occasions to meet with the public in the course of conducting state business, such as the Governor's successful implementation of "Capital for a Day." Additionally, in May 2012 the Department began holding regular Land Board meetings in the State Capitol Auditorium. Meetings in the Auditorium are accessible to the public via video and audio streaming on Idaho Public Television's website at <http://idahoptv.org/insession>. The Department will continue using the Capitol Auditorium for regular Board meetings, except for the few months each year when the Legislature is in session and the Auditorium is in use by legislators.

RECOMMENDATION

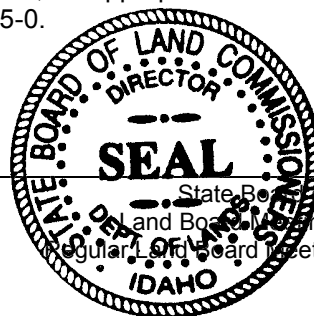
1. Forego setting two regular Land Board meetings outside of Boise in calendar year 2013.
2. Rescind the May 8, 2007 Board action directing the Secretary to recommend to the Board early each year meeting sites outside of Boise for the June and October regular meetings. The Board may at its discretion elect to hold future meetings in locations outside of Boise as deemed appropriate (Idaho Code § 58-103).

BOARD ACTION

A motion was made by Secretary of State Ysursa that the Board approve the Department recommendation with consensus of the members that the Board will hold some meetings outside of Boise; dates and locations to be decided at a future time, as appropriate. Attorney General Wasden seconded the motion. The motion carried on a vote of 5-0.

ATTACHMENTS

1. May 8, 2007 Approved Board Memo



4. Quorum at Meetings

Attachment

September 21, 1977 final minutes

Summary: When the full attendance of the Land Board is not at the meeting, but that a quorum exists, the Board will proceed to dispose of the matters unless one of the absent members has written a request that they be held.

The logo of the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a central diamond shape containing a green field and a yellow field with wavy lines. A horizontal banner across the middle of the logo contains the text "IDAHO DEPARTMENT OF LANDS" in white capital letters.

IDAHO DEPARTMENT OF LANDS

September 21, 1977

that a notice be published of the proposed transfer as required by Section 58-322, and a public hearing be held, and that if there are no objections, the tract be conveyed to Caribou County for the \$9,425 consideration. If objections are made, the matter will be re-submitted to the Land Board for further consideration. The Department recommends conveyance by Quitclaim Deed only, which is the same type of conveyance to the State.

Mr. Williams moved that the Board approve the Department's recommendation. Mr. Kidwell seconded the motion, which passed unanimously.

PROPOSED LAND EXCHANGE - Department of Fish and Game

This involves a land exchange between the Department of Fish and Game and a private property owner of 2½ acres in Blaine County. The property the Department will be acquiring is immediately adjacent to their hatcheries. On the property they are relinquishing, they have reserved the rights to a spring and access to maintain it. It is the Department of Land's recommendation that the exchange be approved.

Mr. Williams moved approval of the Department's recommendation. Mr. Kidwell seconded the motion. The motion passed unanimously.

LAND TRANSFER - Department of Fish and Game

In 1962, The Department of Lands had acquired from the federal government under the Public Purpose and Recreation Act a patent to 14.6 acres of land. This tract is located downstream from the dam on Palisades Reservoir on the Snake River. The land had been acquired to develop a roadside park. In 1965 when the Parks Department was created, they assumed jurisdiction over the parks program. They have determined that their role would not be one of developing this property for the original intended purpose. Therefore, they have turned the property over to the Fish and Game Department, who has maintained it as a public access to the Snake River. The Department has contacted the Bureau of Land Management to see if jurisdiction could be transferred to the Department of Fish and Game. The BLM will only allow a transfer to Parks and Recreation for recreational purposes. Therefore, the Department of Lands recommends that administrative jurisdiction of Lot 8, Section 35, Township 1 North, Range 44 East, M.B. be transferred from the Department of Parks and Recreation to the Department of Fish and Game and that a letter transferring jurisdiction be sent by the Director, Department of Lands to the Fish and Game Department with a copy to the Department of Parks.

Mr. Williams moved that the Board approve the Department's recommendation. Mr. Kidwell seconded the motion, which passed unanimously.

REQUEST FOR QUIT CLAIM - Harry F. LeMoyné

This involves a tract of land adjacent to the Salmon River between the original meander line and the high water mark located in Lemhi County. The Department recommends that the Quit Claim Deed be issued.

Mr. Kidwell moved approval of the Department's recommendation. Mr. Williams seconded the motion. The motion passed unanimously.

LEASE APPLICATION - Twin Falls Canal Company

Twin Falls Canal Company has operated a powder house on land in Jerome County that was formerly under the jurisdiction of the Bureau of Land Management until 1966, at which time the State acquired it. They have had a temporary permit to continue the use of this land. The Department desires to change the status from a permit to a lease, which would give better control over the property and usage of it.

Mr. Kidwell moved approval of the Department's recommendation. Mr. Williams seconded the motion. The motion passed unanimously.

RIVERBED MINERAL LEASE #4151-R - ACREAGE INCREASE - John M. Mock

This involves a suction dredge on the Salmon River near Lucille. Mr. Mock had appeared previously before the Board over the renewal of this lease. He had asked for a reduction in the size of his lease at that time, but it was greater than he had really wanted. Therefore, he is asking that a part of that reduction be reinstated into his lease. The Department recommends that the 146.23 acres lying in Sections 2 and 3 be added to Mineral Lease No. 4151-R.

Mr. Williams moved approval of the Department's recommendation. Mr. Kidwell seconded the motion. The motion passed unanimously.

OFFICIAL TRANSACTIONS - June/July 1977

Mr. Kidwell stated he had questions on two assignments of land sale certificates #24378 and #24379 involving Connecticut General Life Insurance; and Mineral Lease #4336, John M. Dunn, Kermit Kiebert, Sr. and Kermit Kiebert, Jr., which has been cancelled. These are recorded in the July transactions. He then moved approval of all the official transactions with the exception of these three items. Mr. Williams seconded the motion, which passed unanimously.

OCTOBER 11 LAND BOARD MEETING

Mr. Williams clarified that the next regular meeting of the Land Board is scheduled for October 11, 1977.

POLICY

Mr. Kidwell stated it is his understanding that if there is not full attendance of the Land Board at meetings, but there is a quorum, they will proceed to dispose of matters unless one of the absent members has written a request that they be held. This was the consensus of the Board. Mr. Kidwell excused himself from the tour of Eagle Island and asked that Mark Thompson, Assistant Attorney General assigned to the Board of Corrections, attend the tour.

9-21-77

GUIDELINES FOR REGULAR AND SPECIAL MEETINGS OF THE STATE BOARD OF LAND COMMISSIONERS

GUIDELINE 1. DEFINITIONS

1.a. "Board" means the State Board of Land Commissioners. The Governor is the President of the Board.

1.b. "Department" means the Department of Lands.

1.c. "Majority vote" means votes cast by more than half of the Board members present.

1.d. "Quorum" means at least three Board members.

1.e. "Secretary" means the Secretary to the Board and the Director of the Department of Lands.

1.f. "Two-thirds vote" means votes cast by at least two-thirds of the Board members present.

GUIDELINE 2. GENERAL PROVISIONS

2.a. Procedure governed. These guidelines shall govern all practice and procedure before the Board and the Department during regular and special meetings of the Board. Contested case hearings held by the Board, or the Department, shall be conducted under the Rules of Practice and Procedure before the State Board of Land Commissioners, IDAPA 20.01.01.

2.b. The principal offices of the Board and the Department will be located in or near the Statehouse Mall, presently 300 North 6th Street, Suite 103, Boise, Idaho 83702.

2.c. Written communications and documents concerning any matter covered by these guidelines should be addressed to the Secretary, State Board of Land Commissioners, Idaho Department of Lands, PO Box 83720, Boise, Idaho 83720-0050, or to the Director, Idaho Department of Lands, at the same address. All communications and documents are deemed to be officially received when delivered to the Board's principal office.

2.d. Identification. Communications should be specific to the subject(s) at issue and should be identified by the name and address of the communicant. When the subject matter pertains to a proceeding, the proceeding should be identified by appropriate name, number, or otherwise.

2.e. Liberal construction. These guidelines shall be liberally construed to secure just, speedy, and economical determination of all issues before the Board.

GUIDELINE 3. MEETINGS

3.a. The regular meeting of the Board ~~shall~~may be held on the third Tuesday of every month, unless another day is agreed to by a majority of the Board, commencing at 9:00 a.m., Mountain time, provided that a quorum of the Board is present.

3.b. Special meetings, as defined by Idaho Code § 74-202(6)(b), may be held at such times and places as the Board may designate on the call of the President or a majority of the Board. (Idaho Code § 58-103)

3.c. Executive sessions. The Secretary or any member of the Board may request an executive session, to be chaired by the presiding officer, in accordance with the Open Meeting Law, Idaho Code §§ 74-201 through 74-208. The presiding officer shall ensure the room is cleared of unauthorized personnel.

GUIDELINE 4. MEETING AGENDA

4.a. Meeting agenda. Any member, or the Secretary, may ~~request~~place an item be placed on the agenda for consideration of the Board until the draft agenda has been distributed by the Secretary. All matters for consideration by the Board in its regular meeting shall be communicated in writing to the Secretary no less than twenty (20) days preceding the date for the regular meeting. The Secretary shall distribute the draft agenda to Board members no less than ten (10) calendar days preceding the date for the regular meeting. Once the draft agenda has been distributed, changes to the agenda may be made by agreement, considering the collective feedback of the Board members and/or their staff designee. Only Board members and the Secretary may request a late addition (supplemental agenda item) to the agenda. Such supplemental agenda items may only be considered upon unanimous consent of the Board. ~~The Secretary shall circulate the agenda to Board members no less than five (5) days preceding the date for the regular meeting.~~

4.b. Upon written notice to the President of the Board and the Secretary, any member who will not be present at a meeting may request to have an item removed from the agenda and that item shall not be considered. However, the item shall be considered at the next meeting of the Board unless, by unanimous consent, the Board agrees to further postponement.

GUIDELINE 5. APPEARANCES

5.a. Appearances before the Board. Any person or entity may petition the Secretary to appear before the Board to request action, review, reconsideration, or special attention of the Board on any matter within the Board's constitutional and statutory responsibilities provided that on all matters within the authority of the Department, the person or entity should first exhaust all remedies within the Department. Any petition shall be given consideration by ~~Board members~~the Secretary and, if granted, shall be scheduled on the meeting agenda in accordance

with Guideline 4.a. and shall not conflict with these rules concerning hearings, rehearing, or litigation on the same matter.

5.b. When an item before the Board draws a substantial number of visitors having identical or similar views, the presiding officer may ask the group to designate one or two speakers to represent the views of the entire group in the interest of time. If several speakers still wish to be heard, the presiding officer shall advise ~~the audience~~ how much time will be available for such speakers' presentations.

GUIDELINE 6. CONDUCT OF MEETINGS

6.a. Presiding officer. The Governor, as the President of the State Board of Land Commissioners, shall preside at all meetings of the Board. If the Governor is absent, the Secretary of State shall preside; if the Secretary of State is also absent, the Attorney General shall preside.

6.b. Suspending rules. Rules of order. In general, meetings of the Board shall be conducted in an informal manner under Roberts Rules of Order; provided, that the Board may suspend the rules at any time by ~~unanimous consent~~ a two-thirds vote of the members present in order to conduct the business of the Board in a timely and expeditious manner.

~~6.c. Appeal of Department decision. Whenever the Secretary, acting as the Director of the Department of Lands, shall have rendered a decision in a matter formally appealable to the Board, such appeal shall not come before the Board until the Director shall have reconsidered the decision. Reconsideration may include holding a contested case hearing on the matter if the Director deems it necessary. A hearings officer appointed by the Director shall preside over the hearing, rule on all necessary procedural matters and prepare preliminary findings of fact, conclusions of law, and proposed order for the Director's consideration and final decision.~~

6.d. Contested case hearings. All contested case hearings held by the Department or the Board shall be conducted in accordance with the Administrative Procedures Act (Title 67, Chapter 52, Idaho Code), and the Rules of Practice and Procedure before the State Board of Land Commissioners, IDAPA 20.01.01.

6.d. Proxy voting. Proxy voting is prohibited.

GUIDELINE 7. RECONSIDERATION OF PRIOR BOARD DECISIONS

Reconsideration of Board decision. Prior to reconsideration of any previous decision concerning the same person, entity, or issue, the Board will first determine new evidence sufficient to justify reconsideration. If a Board member requests reconsideration, that member must have been on the prevailing side in the prior decision.

GUIDELINE 8. POLICY REVIEW

Periodic review of Board policies. The Board may review its policy and practices from time to time upon the motion of any member or petition of the Secretary.

GUIDELINE 9. BOARD ~~COMMITTEES AND~~ SUBCOMMITTEES

Board ~~committees or~~ subcommittees. From time to time the President or ~~a quorum of~~ the Board by a majority vote may create subcommittees to handle specific matters before the Board or the Department. ~~Sub~~committees shall consist of two ~~or three~~ members of the Board, appointed by the President of the Board. ~~Sub~~committees are empowered only to investigate issues, advise the Department, and recommend policy or action to the full Board. ~~Committees, which involve three Board members, do constitute a quorum of the Board and are subject to the notice provisions of the Open Meeting Law.~~ From time to time the presiding officer, or ~~a quorum of~~ the Board by a majority vote, may appoint outside, interested parties to a subcommittee to obtain the perspectives of others. Such appointments shall be ex officio (non-voting) and shall terminate when the specific issue, for which appointment was made, has been considered by the full Board.

GUIDELINE 10. PUBLIC NOTICE – MEETING NOTICES AND AGENDAS

~~10.a. Subscription Service. The Department of Lands will maintain a subscription service so that individuals and organizations may make a standing request, in writing, to receive notices of Board meetings and agendas.~~

10.~~ba~~. Meeting Notices and Agendas. The Secretary will notice public meetings as required by Idaho Code §§ 74-201 through 74-208 and will post notice of public meetings to <https://townhall.idaho.gov/>. ~~The Director's office will maintain a subscription list for selected information pertaining to notices and agendas of the State Board of Land Commissioners' meetings. Interested parties may be placed on this list by sending a written request including name, address and telephone number to:~~

~~Director
Idaho Department of Lands
300 North 6th Street, Suite 103
PO Box 83720
Boise, Idaho 83720-0050~~

10.~~eb~~. Public Records. Additional information pertaining to the above items, if available, will be provided according to procedures governed by the Idaho Public Records Law, ~~upon request, (Idaho Code §§ 74-101 through 74-126) at prevailing Department costs.~~

STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Regular Agenda

Subject

Stakeholder legislation to address recreational impacts on endowment land

Question Presented

Pursuant to Land Board policy enacted on February 22, 1979, shall the Land Board authorize the Department to support stakeholder legislation designed to help address recreational impacts on endowment land?

Background

The Idaho State Board of Land Commissioners (Land Board) seeks to keep endowment land open for recreational use by the public when such use does not impede the Land Board's constitutional mandate to maximize long-term returns for the beneficiaries.

More than 96% of endowment land in Idaho is accessible by foot, watercraft, or vehicle, with about 2.3 million acres available for hunting, fishing, hiking, camping, or other recreation. There are currently 183 miles of designated and signed trails on endowment land that are actively managed.

While most recreational users behave responsibly, occasionally a few bad actors will cause substantial damage to gates, fences, timber, or engage in activities that damage the land. Currently, those who damage endowment land may only face misdemeanor or felony charges under Idaho's criminal trespass statute, but prosecuting attorneys are reluctant to bring such heavy-handed charges forward for minor offenses. Consequently, in severe cases the only recourse available to the Department is to close endowment land to public access.

Over the past year, the Idaho Department of Lands (Department) worked with a diverse group of stakeholders to understand their needs and concerns about efforts undertaken in the 2022 legislative session to provide an alternative to criminal trespass for damage to endowment land. This effort resulted in many ideas being shared and collaboration that produced a new, better version of the recreation legislation, HB468, that the Department presented in the 2022 legislative session.

The stakeholders engaged in the collaborative process included:

- *IDAHO CATTLE ASSOCIATION* - Wyatt Prescott and Cameron Mulrony
- *IDAHO DEPARTMENT OF LANDS* - Todd Wernex, Dustin Miller, Michele Andersen and Scott Phillips
- *IDAHO FARM BUREAU FEDERATION* – Russ Hendricks, Brayden Jensen and Chyla Wilson

- *IDAHO LEGISLATURE* – Rep. Mike Kingsley
- *IDAHO RECREATION COUNCIL* – Sandra Mitchell
- *IDAHO SPORTSMEN* – Benn Brocksome
- *IDAHO STATE ATV ASSOCIATION* – David Claiborne
- *IDAHO OUTFITTERS AND GUIDES ASSOCIATION* – Jeff Britton and Aaron Lieberman

The stakeholders involved in crafting the new legislation and the Department view this collaborative approach as the best way to solve the problem and keep endowment land open for the public.

Throughout this process the Department kept the Idaho Department of Fish and Game apprised of the work to develop new legislation because it potentially impacts an agreement between the two agencies that provides public access to endowment land and patrolling of endowment land that is open for recreation.

Discussion

The stakeholder bill, authored principally by David Claiborne of the Idaho State ATV Association, eliminates heavy-handed misdemeanor or felony charges for minor offenses which are the only charges currently available for law enforcement to bring. Instead, the new bill allows POST-certified law enforcement officials to issue a warning ticket for minor first offenses, with second violations under the statute being punished with an infraction and \$250 fine.

Due process is protected by requiring the Department to post visible signage in the area where recreation use restrictions may apply, publish the restrictions on the agency's website and make the information available at the nearest Department of Lands' area office.

The bill preserves the option of treating egregious cases as criminal trespass and allows courts to mandate restitution for damages. Additionally, under the bill, courts may order those found guilty to participate in boating, off-road, or snowmobile operator classes offered by the Idaho Department of Parks and Recreation. Any amounts collected as citations under the legislation will remain with the district courts.

The stakeholders and the Department agree the new bill will provide law enforcement with a tool that is both practical to use and supports a broad public education campaign about recreating responsibly on endowment land.

Recommendation

Authorize the Department to support the stakeholder legislation that addresses recreational impacts on endowment land.

Board Action

Attachments

1. Proposed Draft Stakeholder Bill



Proposed Draft Stakeholder Bill

SECTION 1. That Chapter 1, Title 58, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 58-156, Idaho Code, and to read as follows:

58-156. PREVENTING DAMAGE TO ENDOWMENT LAND. (1) Whenever the state board of land commissioners has promulgated rules pursuant to chapter 52, title 67, Idaho Code, for the closure of endowment lands or for restricting, regulating, or prohibiting specified activities on state endowment lands, the board shall provide notice of such closure, restriction, regulation, or prohibition to the public as follows:

(a) Notice of said closure, restriction, regulation, or prohibition shall be posted on the Idaho department of lands website and made available at the department's supervisory area offices; and

(b) Notices of closures, restrictions, regulations, or prohibitions shall also be posted at gates or road or trail entry points onto the endowment land to which they apply and shall state:

(i) "Use restrictions apply," or similar wording; and

(ii) A website address and phone number for contacting the department.

(2) Violation of any properly posted closure, restriction, regulation, or prohibition of endowment lands promulgated by the state board of land commissioners pursuant to subsection (1) of this section shall be punishable as follows:

(a) a warning ticket and advisory of the applicable closure, restriction, regulation, or prohibition shall be issued to the violator if it is the violator's first offense under this section within five (5) years;

(b) If the violation is the violator's second violation of this section within five (5) years of any prior conviction or warning under this section, the violation shall be an infraction punishable by a fine of two hundred fifty dollars (\$250);

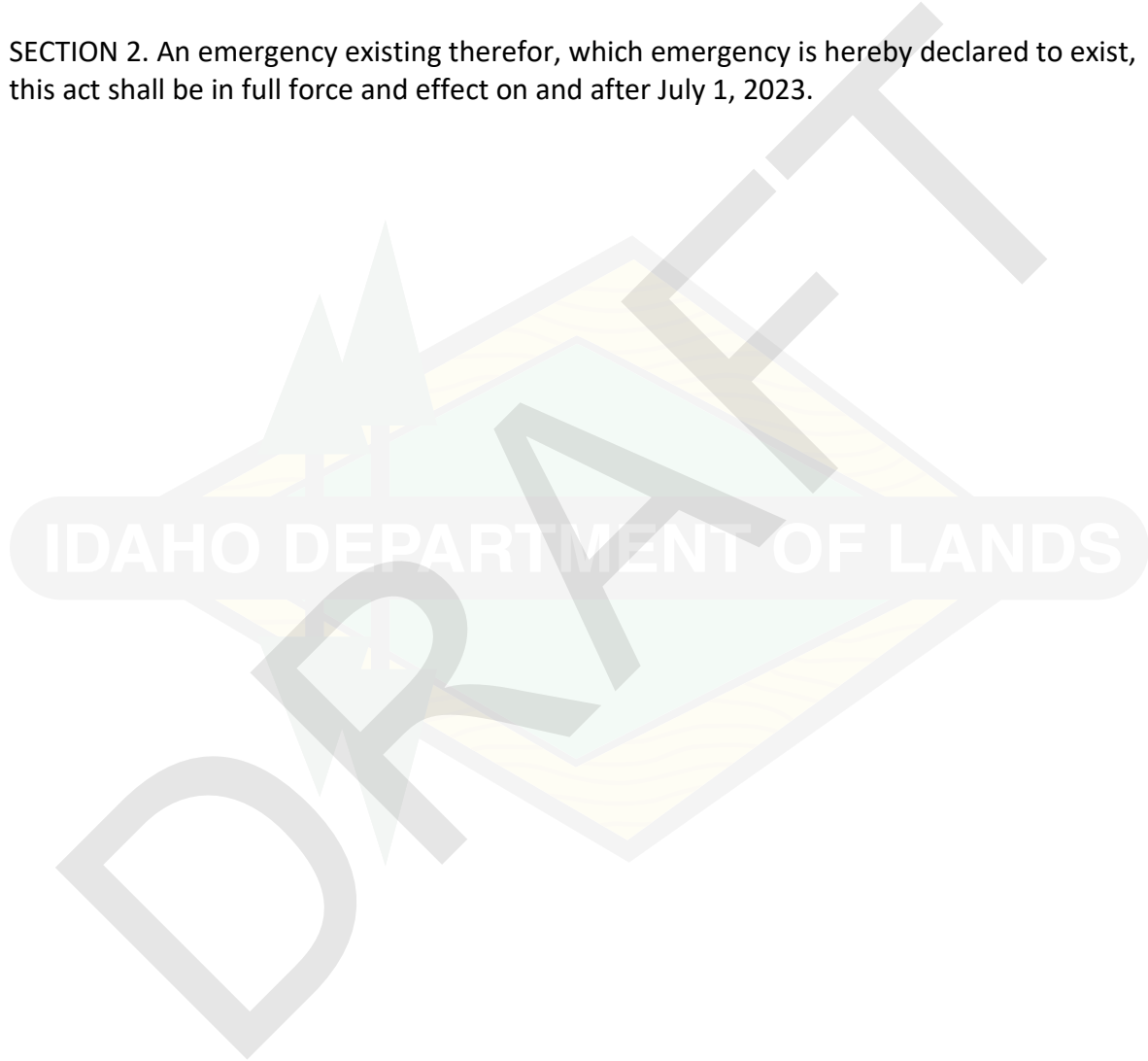
(c) If the violation is the violator's third violation of this section within five (5) years of any prior conviction or warning under this section, the violation shall be a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars (\$1,000) and imprisonment in the county jail for no more than six (6) months;

(d) Provided that for any offense that is accompanied by any actual, physical harm, injury or damage to personal property or natural resources, the violation shall be treated as criminal trespass under section 18-7008, Idaho Code, and subject to the penalties for criminal trespass with damage set forth at section 18-7008(3)(b).

(3) For any conviction under subsection 2(b) and 2(c), the court shall additionally impose an order of restitution directing that the violator pay restitution to the Idaho department of lands in an amount sufficient to repair, replace or correct any actual, physical harm, injury or damage to personal property or natural resources resulting from the violation.

(4) For any conviction under subsection 2(b) and 2(c), the court may additionally impose an order requiring the violator to undergo boating and/or off-road and/or snowmobile operator education classes offered by the Idaho department of parks and recreation.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after July 1, 2023.



STATE BOARD OF LAND COMMISSIONERS

December 20, 2022

Information Agenda

Subject

Idaho Master Fire Agreement between IDL and the Federal Agencies

Background

The Idaho Master Cooperative Wildland Fire Management and Stafford Act Response Agreement (Master Agreement) between Idaho Department of Lands (IDL) and the federal agencies – Forest Service (USFS), Bureau of Land Management (BLM), National Park Service, Fish & Wildlife Service, Bureau of Indian Affairs – is negotiated every five years. The agreement is the framework for defining how participating state and federal agencies cooperate for wildfire preparedness and suppression across Idaho. The proposed agreement allows for better mission alignment of interagency partners. The current agreement expired December 31, 2021, and signatory agencies are operating under a one-year extension that expires on December 31, 2022. An additional extension into 2023 is currently being signed. The operating plan within the Master Agreement can be amended annually. As changes occur, the flexibility to amend the annual operating plan is critical to meet changing and diverse needs across the state.

Wildfire Response Methodologies

Offset Protection

Since the 1980s, offset has served as the primary wildfire response methodology used by the agencies to exchange protection of acres across the state. Under offset, since IDL's fire resources are primarily located north of the Salmon River, it protects a higher percentage of federal acres north of the Salmon River. The federal agencies have more fire resources south of the Salmon River, so they protect a higher percentage of state and private forest resources south of the Salmon River. Acres are exchanged on a straight acre for acre basis, with no weighting attached to different types of land (e.g., forested, wildland urban interface, rangeland, etc.).

When an agency agrees to provide protection of another agency's jurisdiction through offset, it means that agency assumes protection responsibility and all protection costs for the designated acres. For example, state or private acreage protected by the USFS under an offset agreement falls under protection responsibility of the USFS. In turn, for federal lands IDL protects under offset, IDL assumes the full responsibility of providing protection. Under offset there is no exchange of suppression costs when suppressing fires on lands covered by the agreement. All the protecting agencies agree to follow each other's suppression policy as it relates to fire response and suppression tactics.

Reimbursable Protection

Reimbursable protection relies on cost-share agreements to establish reimbursement for the partner agencies providing fire suppression services. For example, if the USFS protects IDL lands under reimbursable protection, the protection responsibility resides with IDL, not the USFS. To explain, if there is a fire on IDL land and the USFS receives a call from interagency dispatch to respond, the USFS will respond as a cooperating agency, but responsibility for protection still resides with the jurisdictional agency, in this case IDL. The State of Idaho would be responsible for reimbursing USFS costs through a cost-share agreement. Similar to offset protection, reimbursable protection requires the responding agency to adhere to the responsible agencies fire suppression policies.

Mutual Aid Protection

Mutual Aid relies on reciprocity between the agencies and closest available resources to respond when a call is received. Mutual aid under the new agreement is more formal and includes most of the State of Idaho where Offset Protection has not been designated, and where both State and Federal firefighting resources exist. Under the previous agreement mutual aid was limited to the first 24 hours or a \$5,000 minimal billable threshold. Except for aircraft, the new agreement states that agencies will not exchange funds unless the costs exceed \$15,000. A closest forces response is preplanned and based on a run card system that has been in place for several years. It is a quick and efficient way of responding quickly to any call regardless of jurisdiction or responsibility. Once the Mutual Aid threshold has been reached on an incident, responding agency costs are reimbursed through a cost-share agreement.

Discussion

IDL, USFS and BLM representatives have been meeting regularly for the past 24 months to negotiate a new Master Agreement. In September 2022 representatives from the agencies met for five days and came to agreement on proposed changes. While the proposed agreement will still include Offset Protection, it will also include an increase in both Reimbursable and Mutual Aid Protection.

The IDL wildfire program has been adding resources over the past few years that will enhance our capacity to meet the response expectations of the proposed agreement. Fiscal Year 2024 Decision units requesting the necessary resources for standing up a fire protection district in Eastern Idaho and five strategic engines are important final additions to address changes in response areas, including balancing offset protection, in the proposed agreement.

If these decision units are not authorized in the upcoming legislative session, the agreement as it has been negotiated cannot be implemented.

Key components of the proposed agreement include:

- This agreement provides a move to align areas protected with agency missions: USFS to take backcountry timber, BLM to take range, IDL/TPAs to take state, private forested lands and the wildland urban interface.
- Most large blocks of industrial timber ground are either under direct IDL protection or USFS offset protection.
- This agreement now includes a mutual aid component which has a billing threshold designed to maximize fire response and minimize billing impacts.
- There has always been a commitment to closest forces response. This will continue. There is no expected reduction in resources responding to a fire. In certain areas we are anticipating an increase in responding resources.
- Run Cards (which determine how many and which type of resource responds to a given fire) are developed with interagency coordination. Current run cards will be adjusted to reflect changes in responsibility and maximize resource response.
- Dispatch centers are truly interagency, and all dispatchers work hard to ensure jurisdictional lines do not hamper fire response.
- This agreement will increase efficiency from a business perspective.
- Mutual aid comes with an expectation of response. Overall, there should be an increase in response resources whether its federal or state. There are no proposed changes for the fire service organizations.

Leadership and staff from IDL, USFS and BLM continue to meet monthly to finalize language for the proposed agreement. IDL has been meeting with field staff to begin planning for necessary changes required to implement the new agreement. IDL also met with Forest Industry partners to discuss the proposed changes. The agencies have agreed that 2023 will be a transition year, with full implementation to begin in 2024.