



## STATE BOARD OF LAND COMMISSIONERS

Dirk Kempthorne, Governor and President of the Board  
Pete T. Cenarrusa, Secretary of State  
Alan G. Lance, Attorney General  
J. D. Williams, State Controller  
Marilyn Howard, Superintendent of Public Instruction

Stanley F. Hamilton, Secretary to the Board

### FINAL MINUTES REGULAR LAND BOARD MEETING February 18, 1999 9:00 AM

The regular meeting of the Idaho State Board of Land Commissioners was held on February 18, 1999, in Boise, Idaho. The Honorable Dirk Kempthorne presided. The following members were present:

Honorable Secretary of State Pete T. Cenarrusa  
Honorable State Controller J. D. Williams  
Honorable Attorney General Alan G. Lance  
Honorable Superintendent of Public Instruction Marilyn Howard

#### • **CONSENT AGENDA**

Director Hamilton provided the Land Board with a copy of a letter received from Craig Gehrke, of the Wilderness Society expressing appreciation to the members for holding a public auction and also for allowing testimony on the state leases involved in the Enhanced Training Range proposal.

Director Hamilton then provided the Land Board with an overview of the Consent Agenda. He stated that agenda item #3 – Request for approval of revised grazing lease format – has been withdrawn from the agenda.

The motion was made by Attorney General Lance to adopt the consent agenda with the exception of item #3. Secretary of State Cenarrusa seconded the motion. The motion carried on a vote of 5-0.

#### 1. **The following official transactions were approved:**

Bureau of Real Estate, Easement Section for December, 1998  
Bureau of Real Estate, Land Sale Section for December, 1998  
Timber Sale for the period December 23, 1998, through January 22, 1999

#### 2. **The following timber sales, staffed by Ron Litz, Chief, Bureau of Forest Management, were approved:**

A. Windfall Pass	CR-3-0431	1,110 MBF	
B. Bowl Pole	CR-3-0432	1,635 MBF	6,355 Pcs

C. Hobbit Pole	CR-3-0438	1,130 MBF	2,400 Pcs
D. East Lacey Pole	CR-4-0685	110 MBF	

3. **The request for approval of revised grazing lease format, staffed by Bryce Taylor, Bureau Chief, Range Management/Surface Leasing, was withdrawn from the agenda.**
4. **Supplemental agreement request for 1999 installment for Land Sale Certificate No. 25735 – Karl and Janet Smith, staffed by Perry Whittaker, Chief, Bureau of Real Estate, was approved.**
5. **The addition of Dewayne A. Bills to the Payette Lake non-lakefront cottage site exchange list, staffed by Perry Whittaker, Chief, Bureau of Real Estate, was approved.**
6. **The department recommendations for the potential lease at Lincoln Road, Idaho Falls, staffed by Bryce Taylor, Bureau Chief, Range Management/Surface Leasing, were approved.**

The recommendations are as follows:

- Reject current proposal from Mr. Norman Helderman for RV storage on this parcel.
  - Authorize department to advertise for proposals and sealed bids (RFPs) on the parcel until an offer closer to the range of rental is received.
  - Authorize the director to hold proposals that do not measure up to expectations.
7. **The request for conceptual approval to initiate a land exchange involving Nadine Molsee-Belieu and the State of Idaho, staffed by Perry Whittaker, Chief, Bureau of Real Estate, was approved.**

Department staff recommended Land Board approval to begin work on this exchange with the understanding that a final exchange package will be presented to the Land Board for approval later.

8. **The request to approve the sale of 15.12 acres of property owned by the Idaho Department of Fish and Game located in Nez Perce County – Sweetwater Springs Fish Hatchery Site, staffed by Don McNarie, Real Estate Specialist was approved.**

The department recommended Land Board approval to sell this property by public auction through the Surplus Property Act for the appraised price of \$114,000.00. The proposed sale will be advertised once a week for four consecutive weeks in a newspaper in Nez Perce County prior to the public, oral auction. The terms of sale are 30% down payment on the day of sale with the balance due within sixty (60) days.

- **REGULAR AGENDA**

9. **Director's Report - presented by Stanley F. Hamilton, Director, Department of Lands**

Director Hamilton provided the Land Board with an overview of the monthly Director's report. The information provided was:

- Summary of the fiscal 1999 Principal Fund Balances and Revenue Composition
- Historical Principal Fund Growth
- Endowment contribution by funds FY 1994 – FY 1999 year-to-date
- 2 graphs showing Permanent Endowment Total and Permanent Endowment Public Schools
- Income contribution by funds FY 1994 – FY 1999 year-to-date
- 2 graphs showing Total Beneficiary Income and Total Public School Income
- Graph showing the Total Permanent Endowment
- Graph showing Total Income Contributions
- Graph showing IDL Expenditures vs. Revenues

Director Hamilton stated that the Department is working to convert the current budget process that has four or five major programs down to two major programs – endowment management and non-endowment management. He stated that on the endowment management side, about 12 million dollars per year is spent – half is general funds and the other half is dedicated funds. Legislature is looking at probably taking about 3 million of the General Fund from the existing budget and also taking about 5 million from the improvement funds for the schools out of the current budget. July 1, 2000 we will go on the endowment side – completely to dedicated funds. Director Hamilton said the 10% funds would cease to exist as 10% funds. The money that is there now would constitute the core of the Earnings Reserve Account. This will be a very complex change.

10. **Update on Bark Beetle Outbreak in North Idaho, presented by Ladd Livingston, Forest Insect/Disease Supervisor**

Director Hamilton provided the Land Board members with a copy of Senate Joint Memorial No. 101 that will be under consideration by the Senate.

Dr. Ladd Livingston, Forest Insect/Disease Supervisor for the Idaho Department of Lands – Coeur d'Alene, ID office provided the Land Board with a presentation regarding the Douglas-Fir Beetle. He provided the Land Board with an informational handout, wall maps of aerial surveys to show the infestation of the beetle in northern Idaho and a slide presentation.

Dr. Livingston discussed the Douglas-Fir bark beetle activity, which is the major bark beetle problem in North Idaho at the current time. He stated that the Forest Service in concert with other agencies, including the Department of Lands, started an education process, which set the stage for an environmental impact statement that the Forest Service has prepared.

Dr. Livingston provided information on "The Historical Forest" which is information that helps explain some of the problems we are having and some of the action that is being taken. He also provided information from the draft impact statement.

Dr. Livingston stated that bark beetles are very small, but have strength in numbers. By their numbers, they are able to overcome any resistance that might be present in any tree. This beetle attacks trees in groups. They tend to impact stands of large, mature, dense Douglas Fir.

You will see pitch streaming on the trees, pieces of fungus that starts to rot the sapwood. Within a year, the sapwood is not usable. The heartwood however does remain in tact and very usable.

At low populations, these insects tend to get into diseased trees or scattered windthrow. High populations occur when we have extensive windthrow. The trees that are blown down have no resistance. The beetles attack and build up very high populations. Trees that are weakened by drought, defoliation by insects that eat all the needles or are weakened by fire are subject to attack by this particular beetle. An outbreak started in this fashion will usually last two to three years in that general vicinity. This spring will probably be year number two in the Coeur d'Alene vicinity. More attacks can be anticipated this spring.

Dr. Livingston said that a major problem is the terrific fuel loads with the increased number of dead trees, which is a potential for fire. The first thing to do is to salvage the windthrow that occurs – get it picked up and removed. Don't let the beetle get into it. Identify the stands with the greatest potential for having beetle problems and then do something about it – thin them. Use trap trees. He stated that a tree can be cut down and put it on the ground on purpose to attract the beetle and hold the beetle at that site.

As beetles attack the tree, the first pioneering beetles produce a semio-chemical, a pheromone that blows out on the wind. Other beetles follow that back to the source. He stated that after the beetles have been there a short time, the nature of that chemical changes to an anti-attractant and now it is a "go find your own dinner message." This regulates the population of the beetle in any one tree. These chemicals, attractants and anti-attractants, have been synthesized and are being utilized now to help manage insect populations.

Another way to deal with the beetle is to go into a stand where affected trees can be identified - cut those trees, salvage them, get them out of the woods, haul the beetles out of the woods and that will help control the population at that site.

The US Forest Service and the Panhandle National Forest are working on a program to try and provide a degree of protection and assistance to adjacent landowners. They are also working on a series of research projects using these attractants and anti-attractants in order to gain information on better ways to use them. Traps are also being used in the area.

MCH is an anti-attractant that has not been currently registered by the EPA for use on a commercial basis, but they have granted a 2,000 acre experimental permit for this year. 2,000 acres has been distributed along the perimeter of the national forest lands. When the beetles smell the MCH, they keep flying.

Dr. Livingston stated that the forest has undergone a tremendous change. There is approximately twice as much Douglas Fir now as there was historically. With this increased host base, it is allowing the beetles to increase.

Governor Kempthorne asked Dr. Livingston asked what happened to the bark beetle at the end of its cycle. Dr. Livingston stated that they are always out there at low populations. The trigger

that sets them off is windthrow – getting material down on the ground. Once an outbreak starts, they will last 3 – maybe 4 years, then tree resistance is so great that the populations decline.

Attorney General Lance asked Dr. Livingston how many acres is the state of Idaho at risk by this epidemic. Dr. Livingston stated that on endowment lands, the state is able to be much more aggressive with management activities. The state lands are under management, they are thinned, they are opened up and not nearly as susceptible. We do not have as much threat. He emphasized that this does not mean we don't have bark beetles.

Attorney General Lance asked Dr. Livingston if it would be an accurate statement to state that our assets are at risk because the federal government is not doing enough to control this epidemic. Dr. Livingston stated that there is some degree of risk to state lands because the Forest Service was not able to address the issues.

Attorney General Lance asked if it would be fair to state that part of the solution ought to be by the federal government removing the diseased, windthrown trees to break this cycle of infestation. Dr. Livingston stated that, in his mind, it would be a fair assessment.

Dr. Livingston stated that the management objectives for the Forest Service have changed. They are working more on ecosystem management and in that mode, they have not been as aggressive at removing diseased trees, etc. as they have been in the past. On the limited acreage that they have addressed for their draft impact statement, they are addressing approximately 250,000 acres that they feel, in their analysis, have either already been impacted or are at risk. In that, they are imposing intensive management on 25,000 acres where they are aiming to do as much as they can to harvest the infested, diseased trees and restore a status of forest health as much as they possibly can.

Attorney General Lance asked Dr. Livingston what is the migratory distance of the beetle. Dr. Livingston said the beetles fly. They are good flyers and this specific beetle is known to fly many miles – 10 miles easily – especially if it is carried by the wind. To protect your lands on that basis, you would have to have a 10-20 mile buffer zone to lower the potential risk of infestation.

Superintendent Howard said it appears that some of the alternatives focus on the beetle issue but it seems the underlying problem has to do with forest management issues. Dr. Livingston stated the major aim of all of the alternatives is the forest health issues.

State Controller Williams asked Dr. Livingston to comment on the forest health issues involved and what can be done to prevent this. Dr. Livingston said that forest health issues are primarily surfacing at this point in time because of some of the changes that were shown during the slide presentation. These involve species changes.

Earlier in the century, we did not recognize the proper role of fire in the ecosystem. We tended to believe “Smokey” and we put out all of the fires. We also, in harvesting practices, tended to concentrate on those tree species that were the shade intolerant species – the species that usually were the longest lived and in many instances the most resistant to insect disease and to fire. We have had exotic pests introduced. White Pine blister rust has decimated our White Pine and that is probably the single factor that is most responsible for the decline in White Pine across our state.

The categories – management practices, exclusion of fire as a management tool and exotic species have brought about changes in our stand composition. We now have a species that is more shade tolerant – Douglas Fir, Grand Fir and Hemlock. The insect and disease problems have exacerbated because of these changes. Aiming at reversing the trends that have brought about by those three factors will help to restore a more healthy condition of our forests and end up reducing the problems that keep surfacing.

State Controller Williams asked Dr. Livingston if the state is meeting those objectives with their practices. Dr. Livingston stated that our objectives are to maximize returns. Our forest management is aimed at that. We are doing, basically, many of the things that will lead to forest health. He stated that he felt the state is working – doing a good job in managing the state – endowment lands to avoid these problems. We do address problems. The state has the ability, when problems crop up, to move quickly to salvage, to harvest, to do what is necessary on a local basis to take of that immediate problem. We are not faced with the NEPA process.

Governor Kempthorne asked Director Hamilton if he felt the state of Idaho was doing all that it could or were there other areas that should be pursued. Director Hamilton stated that the Department is doing just about everything that could be done. He said the Department is working with the Forest Service, focusing on the private sector to help them. The Panhandle is working hard to try to do what they can under the rules they operate under. He stated that the Clearwater is in this picture also and the concern is that they are not moving as rapidly as they might. As an agency, the Department is trying to do everything they can. This is a serious problem. Dr. Livingston stated that the Nez Perce National Forest is also heavily involved.

Director Hamilton added that there is a section of the Forest Practices Act that says that any landowner that has more than 2,000 acres is required to deal with infestations of insects or diseases that might affect general good. This was enacted so that it included the Forest Service. There is some question about whether or not that statute can apply directly to the Forest Service, but he feels that there is a lot of value, from the standpoint, that we can go to the Forest Service and say there is a problem – you need to be thinking about it.

Governor Kempthorne asked Director Hamilton, in his opinion, how serious is this problem and therefore, with the Forest Practices Act and its relationship to the federal government, is it something that we need to be aggressive in establishing the rights of the state. Director Hamilton said there is no question about this. We have so much federal land here we need to be able to know what our federal partner is doing. They are our neighbors. The Forest Service needs to find a way to streamline their process so they can react to this.

State Controller Williams said that some groups feel this beetle infestation is being used as a ruse to justify harvest of more timber. Dr. Livingston stated that he had been in many meetings since last November dealing with this situation. What the Panhandle Nation Forest is doing is an absolute good faith effort to do something that is biologically sound and will help provide tools to help them establish better forest health. He stated that this is in no way a cover up to try to harvest more trees. In fact, the only place he would fault the Forest Service is that they are not aggressive enough.

Secretary of State Cenarrusa asked if the Federal Lands Task Force had dealt with this situation. Director Hamilton stated they had not dealt with this situation, but they examined areas as they traveled throughout the state. They talked about the concern regarding the length

of time that it took the Forest Service to respond. He said he felt the Task Force would have to take a look at this issue when the pilot project area is selected.

Attorney General Lance said the area the Task Force will petition the federal government to grant some type of management powers on has been discussed. He said he felt the 10-15 mile strip where state lands might be in jeopardy because the federal government is not doing anything might be an area to look at. He stated that this issue may have to be settled in the courtroom.

No Land Board action was taken on this agenda item.

**11. Dudley Lease Conflict applications/qualifications, presented by Tracy Behrens, Range Management Specialist**

Tracy Behrens provided the background information on this agenda item. Based on the action taken at the December Land Board meeting, the Department solicited applications to lease the subject parcel. The parcel was advertised as two separate units: a four-acre unit on the north side of the Boise River and a 37.6 acre unit on the south side of the river. Applications were sent to all parties who submitted applications by the original April 1998 application deadline, and to all other adjacent landowners. A notice of lease availability was also posted in the county courthouse. An application deadline of January 22, 1999 was established.

Mr. Behrens covered the Land Board procedures: (1) Acceptance of Applications and (2) Qualification of Applicants. Mr. Behrens provided the Land Board with copies of two letters that he had received. One letter was from Christine Hester, who stated that she would not grant Mr. Lewis any easement or access to his deeded property through her property. The other letter was from David W. Gratton, Attorney for Mr. Don Davis, who stated that Mr. Lewis has no access to his deeded property and asked that the Land Board not qualify Mr. Lewis as a qualified applicant.

The department recommendations are as follows:

The department recommendation incorporates by reference and is supported by the supplemental conflict lease support documents.

1. The department recommends that the Board accept for processing each of the identified lease applications. The state lands covered by these leases are currently classified as General Management Zone – range grazing. The above listed applicants propose using the subject state lands for grazing purposes, have filed timely application, have paid the required fees and have submitted acceptable management proposals.
2. The department recommends that the Board qualify the applicants Dudley Ranch and Mr. Brown for the portion of the subject state land north of the Boise River, and the applicants Shideler, Davis and Lewis for the portion south of the Boise River. The department's recommendation is based on consideration of the following factors:
  - a. The applicants have each submitted an acceptable management proposal with their grazing lease application.
  - b. The maximum long-term financial return from the state land is best achieved through the management of the state land together with adjacent private land in order to make the most efficient use of the available state forage. This coordinated use provides the

best opportunity to regulate the grazing on the state land to maximize forage production, while maintaining the resource quality. Each applicant has submitted an acceptable management proposal that incorporates the use of the state land with their adjacent deeded land.

- c. On state endowment lands such as these – that depend for their long-term value and usability on coordinated management with adjacent private lands – the long-term financial returns to the endowment are enhanced by offering the parcel for lease to all qualified applicants.
3. The department recommends the scheduling of two lease auctions between the recommended qualified applicants for the two units of state land in lease G-6579 to determine who will pay the highest premium bid.

The results of the auctions will be brought to the Board for their consideration after the 20-day appeal period has expired. The department anticipates that this consideration would happen at the April 1999 regular Board meeting.

The motion was made by Attorney General Lance to accept the recommendation of the department. State Controller J. D. Williams seconded the motion. The motion carried on a vote of 5-0.

## **12. Grant Lloyd Auction appeal, presented by Tracy Behrens, Range Management Specialist**

Tracy Behrens provided the background information on this agenda item. At the September 8, 1998 Land Board meeting, the Board reviewed the applications that were submitted for all conflicted 1998 expiring grazing leases. Included in that review were the applications that were submitted by Grant Lloyd and Caribou Cattle LLC (Caribou Cattle) for lease G-9048 that was formerly held by Grant Lloyd. The Board determined that both of the applicants for lease G-9048 were qualified to bid on the lease.

An auction to determine the high bidder for lease G-9048 was held at the IDL Eastern Area office in Idaho Falls on Friday, November 20, 1998. Mr. Lloyd placed the opening bid of \$5.00. Caribou Cattle LLC submitted the second and high bid of \$6.00.

Mr. Lloyd appealed the auction on December 2, 1998. A copy of the appeal was provided to Caribou Cattle, and they were given until December 30, 1998 to file a rebuttal to the appeal. A copy of the rebuttal was provided to Mr. Lloyd and he was given until January 13, 1999 to respond to the rebuttal. A response to the rebuttal was received from Mr. Lloyd on January 11, 1999.

Based on the discussion and analysis of this process, the department recommended that the Board reject the appeal filed by Mr. Lloyd and that the new grazing lease be issued to Caribou Cattle LLC for their high bid of \$6.00

Secretary of State Cenarrusa asked how many AUMs were involved in this lease. Mr. Behrens stated that there were 141 AUMs. Secretary of State Cenarrusa asked what affect this would have on Mr. Lloyd and his business if he lost this lease of state land. Mr. Behrens stated that he was not in a position to address this issue. He stated, in looking at the map and knowing the number of AUMs, it appears to be a significant portion of his overall ranching operation.

Superintendent Howard asked if both applicants take in herd stock. Mr. Behrens stated that was correct - neither operator owns livestock of their own.

State Controller Williams asked what was the Department's current relationship with Mr. Lloyd. Mr. Behrens stated that there had been some concerns in the past regarding distribution of animals on the parcel. Those concerns were addressed and the Department would be comfortable with either applicant. State Controller said he was reluctant to change management for \$1.00. Secretary of State Cenarrusa stated that he felt the same way the State Controller did.

Attorney General Lance said he felt if this were vital to the current lessees operation, one would have anticipated a bid of more than \$5.00. He stated that he saw no reason to overturn the bidding process and would vote to adopt the Department's recommendation.

Superintendent Howard stated that in the interest of maximizing revenue to the schools and also recognizing that when you are taking in herd stock there is some flexibility within an operation, she was in favor of the higher bid.

Attorney General Lance moved to adopt the recommendation of the department. Superintendent Howard seconded the motion. The motion carried on a vote of 3-2. Those voting aye were Attorney General Lance, Superintendent Howard and Governor Kempthorne. Those voting nay were State Controller Williams and Secretary of State Cenarussa.

**13. Potential office lease at 590 West Washington Street update/proposal, presented by Alvin Carr, Leasing Specialist**

Alvin Carr provided the background information on this agenda item. Department staff would like to determine a lessee to be able to determine remodeling needs in anticipation of a Division of Public Works (DPW) administered contract for construction of the upstairs ADA bathrooms and the renovation needs of the main floor.

The department has been working with Linda Wildhagen, Leasing Program Manager, DPW, regarding the opportunities that may exist for leasing endowment office buildings by a state agency. Linda administers the state-wide program that identifies and provides facilities for state agencies.

In conjunction with DPW, the Department of Health and Welfare has expressed their desire to lease the property for Emergency Medical Services. They would be able to move into the facilities by June 1, 1999, provided that all the necessary contract work has been completed. Other inquires have also been made from both the private sector and state agencies regarding the potential leasing of the property.

The department is seeking direction from the board as to the issuance of a lease and whether or not to advertise for proposals and sealed bids (Request for Proposals – RFP), or in the alternative, advertising for applicants and holding a public auction if more than one applicant applies.

State Controller Williams felt it was important, as property was acquired in the Capitol Mall area, to lease this to state agencies because it diffuses the issue of conflict with private enterprise. He stated that the proposal is sound.

State Controller Williams moved that the Department should do all they can to work with state agencies within the confines of existing law. He stated that the Department of Administration has management people in place and as long as we receive market value then the rent in this situation goes directly to the public school income fund. Attorney General Lance seconded the motion. The motion carried on a vote of 5-0.

**14. Request for final approval to complete Chapman-Marcus/State of Idaho land exchange, presented by Dan Spanfelner, Real Estate Specialist**

Director Hamilton said that this agenda item is a request for final approval of a small land exchange between Chapman-Marcus and the state of Idaho. Dan Spanfelner provided the background information on this agenda item.

The private land that the State of Idaho will acquire is in an area of good timber production, and ties in well with an existing block of state land. It provides an opportunity to increase the timberland base nearly 2½ times the size of the parcel being disposed. An easement will be retained across the state land being exchanged to Chapman/Marcus. Also an easement will be granted across private land owned by Chapman/Marcus, from Thorn Creek Road to provide needed legal access to the State Thorn Creek block north of the Thorn Creek Road. The private land being acquired will also provide access to state land south of the Thorn Creek Road.

The exchange package was advertised and a public hearing was held. No adverse comments were received during the hearing.

Department staff recommended final land board approval to complete this exchange.

The motion was made by Attorney General Lance to accept the recommendation of the Department. Superintendent Howard seconded the motion. The motion carried on a vote of 5-0.

**15. Legislative update, presented by Stanley F. Hamilton, Director, Department of Lands**

Director Hamilton provided the Land Board with an update on legislation. He said the Department's legislation is doing fairly well and the bills are moving through the system.

He stated there were a couple of bills that would affect the Department. One bill is Senate Bill 1153 that is the Similar Lands bill. It is the bill that the Land Board requested the Department to introduce. Some changes had to be made to the bill and get a different RS in order to get the bill printed. There is some opposition to this bill from the grazing industry. Sara Braasch and Chuck Jones of the Idaho Cattle Association appeared before the Committee. They stated that they did not oppose the bill, however, had some concerns about it and wanted to get an opinion from their Board. The Committee held the bill over until Monday, February 22, 1999, at which

time they will take a vote. Ms. Braasch and Mr. Jones suggested that we needed to write something in the bill that will provide for more notice, specifically under law, as to when exchanges were coming. The Department is working with them on this. Director Hamilton asked, if the Land Board members would discuss this with the industry reps, if they have the opportunity. He stressed that this is extremely important to the Department's operation.

Attorney General Lance asked if the Land Board could provide a letter to assist with Senate Bill 1153. Director Hamilton said it would be useful as far as the Committee is concerned. The Industry Board will be making a recommendation to their staff and it would be beneficial to know why they are opposed to the bill. He said he felt that one of their concerns is Land Board is headed in the future with regard to endowment land management and that this will result in a gross sell-off of rangelands. Director Hamilton said he tried to allay that fear because he does not feel this will be the case.

State Controller Williams asked if the problem was with changing the word similar to other. Director Hamilton said he felt this was the problem.

Secretary of State Cenarussa stated that with the establishment of the land bank, that would alleviate this problem somewhat. Director Hamilton said that it would and that point was made in the hearing.

The other bill Director Hamilton mentioned was Senate Bill 1137 – Highway Right-of-way Closure Bill. The Highway Districts Association introduced the bill. The bill states if the Department or any state agency tries to close a road that the County currently operates on that hearings would have to be set and we would have to go through a fairly elaborate process. He stated that he felt this bill is unnecessary and that he intends to oppose the bill. If the County has a formal easement on a road, it cannot be closed without going through a vacation procedure. Director Hamilton stated that county roads are important and the Department would not close these anyway. There are a lot of roads that are not official county roads; they are roads that have existed on state land for many years. The Department will close roads occasionally for water quality purposes, wildlife purposes when Fish and Game makes a request, or for long-term maintenance cost reduction.

State Controller Williams said he was interested in looking at Senate Bill 1137. He stated that we need to be very careful how the public is treated regarding public access. Director Hamilton said Department staff was extremely careful about access issues and realizes this is a sensitive issue.

Superintendent Howard said that the Land Board appreciates the efforts of the Department to make sure that our lands are cared for well because we do have a purpose in mind for our schools. She said that she would support the Department to make sure it can meet its objectives in the future. Director Hamilton stated that he was not asking the Land Board to take an action regarding this bill, he was just informing the Land Board that he planned to oppose the bill.

Attorney General Lance said that he was concerned with liability. If the Department had a road that was potentially dangerous to the general public, he said he would not want to be held hostage by a County or a hunter's group demanding that it be kept open – then end up being sued. Director Hamilton said there is a statute, which states that anyone who recreates or uses

state lands – or private lands for that matter – cannot turn around and sue the landowner. He stated that he did not know if this statute has been tested; but the statute is there.

- **INFORMATION AGENDA**

Director Hamilton briefed the Land Board on the information issues. No Land Board action is required for the information agenda.

16. Timber sale activity report
17. Interest rate update

- **EXECUTIVE SESSION**

Attorney General Al Lance stated that David Barber was ill and the executive session was withdrawn from the agenda.

18. Discussion regarding decision of Idaho Forest Industries, Inc. v. Hayden Lake Watershed Improvement Dist, et al., Kootenai County Civil No. 59770, presented by David Barber, Deputy Attorney General, Natural Resources Division

There being no further business to be brought before the Land Board, the meeting adjourned at 10:55 a.m.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/ Dirk Kempthorne  
President, State Board of Land Commissioners and  
Governor of the State of Idaho

/s/ Pete T. Cenarrusa  
Pete T. Cenarrusa  
Secretary of State

/s/ Stanley F. Hamilton  
Stanley F. Hamilton  
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the April 13, 1999 regular Land Board meeting.