



STATE BOARD OF LAND COMMISSIONERS

Dirk Kempthorne, Governor and President of the Board
Ben Yursa, Secretary of State
Lawrence G. Wasden, Attorney General
Keith L. Johnson, State Controller
Marilyn Howard, Superintendent of Public Instruction

Winston A Wiggins, Secretary to the Board

**Final Minutes
Regular Land Board Meeting
August 9, 2005**

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, August 9, 2005 in Boise, Idaho. The meeting began at 8:59 a.m. in the second floor courtroom of the Borah Post Office Building. The Honorable Dirk Kempthorne presided. The following members were present:

Honorable Secretary of State Ben Yursa
Honorable Attorney General Lawrence G. Wasden
Honorable State Controller Keith L. Johnson
Honorable Superintendent of Public Instruction Marilyn Howard
Secretary to the Board Winston A Wiggins

• **CONSENT**

Director Wiggins provided background information on the Consent Agenda items.

A motion was made by Attorney General Wasden to approve the Consent Agenda in its entirety. Controller Johnson seconded the motion. The motion carried on a vote of 5-0.

1. Director's Report – approved

- A. Interest Rate on Department Transactions – July 2005
- B. Bureau of Real Estate, Land Sale Section, Official Transactions – June 2005
- C. Bureau of Real Estate, Easement Section, Official Transactions – June 2005
- D. Bureau of Surface and Mineral Resources, Official Transactions – February, March, April, May 2005
- E. Timber Sale Official Transactions – June 25, 2005 through July 22, 2005
- F. Timber Sale Activity Report
- G. Legal Matter Summary
- H. Fire Season Update

2. Timber Sales – Staffed by Bob Helmer, Chief, Bureau of Forest Management – approved

A. Huckle Up	CR-10-0352	2,400 MBF	Bonner
B. Moose Meadow	CR-21-3003	7,900 TONS	Boundary
C. Highland Slopes	CR-21-3007	2,025 MBF	Boundary
D. Main Street Commercial	CR-40-0770	16,283 TONS	Clearwater
E. Sally Ann's Wall	CR-42-0751	1,360 MBF	Idaho
F. Price Valley OSR	CR-50-0127	2,007 MBF	Adams
G. Twisted Pine	CR-60-0167	4,680 MBF	Boise

3. **Agreement for Purchase of Conservation Easement for Project: St. Joe Basin – Phase III (Potlatch)** – Staffed by Steve Grouke, Forest Legacy Program Coordinator, Bureau of Forestry Assistance – **approved**

DEPARTMENT RECOMMENDATION: That the Board authorize the Department of Lands to acquire a conservation easement on 22,949 acres.

BOARD ACTION: Approved.

4. **Approval request for Disclaimer of Interest to South Channel LLC for Accretion Land Adjacent to the Boise River in Ada County** – Staffed by Perry Whittaker, Chief Bureau of Real Estate – **approved**

DEPARTMENT RECOMMENDATION: Direct the Department to issue a disclaimer of interest for one (1) parcel of land totaling 2.26 acres of former bed of the Boise River and to require South Channel LLC to pay a fee of \$600.00 to the Department for this transaction.

BOARD ACTION: Approved.

5. **Approval Request for Disclaimer of Interest to Janis M. Wroten-Graham for Accretion Land Adjacent to the Boise River in Ada County** – Staffed by Perry Whittaker, Chief Bureau of Real Estate – **approved**

DEPARTMENT RECOMMENDATION: Direct the Department to issue a disclaimer of interest for one (1) parcel of land totaling 0.99 acre of former bed of the Boise River and to require Janis M. Wroten-Graham to pay a fee of \$600.00 to the Department for this transaction.

BOARD ACTION: Approved.

6. **Minutes – approved**

A. Regular Land Board Meeting – July 12, 2005

• **REGULAR**

7. **Endowment Fund Investment Board Report** – Presented by Richelle Sugiyama, Interim Investment Manager, EFIB

A. Manager's Performance Report

No action taken on this item.

B. Reaffirm 2007 Spending Policy

A motion was made by Attorney General Wasden to reaffirm the 2007 spending policy of five percent for all beneficiaries, including the pooled accounts. The motion was seconded by Controller Johnson. The motion carried on a vote of 5-0.

Additionally, a motion was made by Attorney General Wasden that the President of the Land Board appoint a task force to examine the issues discussed. The task force would consist of at least one or more members of the Land Board, one or more members of the Endowment Fund Investment Board, the EFIB Manager of Investments, an executive level representative of the Department of

Lands, such other individuals as the President may determine, perhaps members of the Legislature, JFAC as an example. The purpose of the task force would be to review the implementation of the endowment reform and to provide the Land Board and the Endowment Fund Investment Board with their findings and recommendations. The review would provide the Land Board a much better picture of needed statutory structural changes or procedural or accounting standards that need to be met or changed to better accomplish the purpose. Secretary of State Ysursa seconded the motion. The motion carried on a vote of 5-0.

C. Information Item – Restatement of FY 2004 Permanent Fund and Earnings Reserve Balances

No action taken on this item.

8. Publication of Notice to Amend Rules Governing Exploration, Surface Mining and Permanent Closure of Cyanidation Facilities – Presented by Winston Wiggins, Director

DEPARTMENT RECOMMENDATION: That the Board direct IDL to submit a Notice of Rulemaking and the proposed rule to OAR by August 24, 2005 for publication in the Idaho Administrative Bulletin on October 5, 2005.

BOARD ACTION: A motion was made by Controller Johnson that the proposed rule be modified to strike the language that says significant increase and change that language to increases overall estimated permanent closure cost by more than fifteen percent and that the Board instruct the Department to continue negotiating with the mining industry and others on those points currently under dispute and report back to the Board individually within five business days. Secretary of State Ysursa seconded the motion.

Upon further discussion, Secretary of State Ysursa stated although he seconded Controller Johnson's motion, he suggested that the motion be amended to include all items will be discussed as part of the meetings, including material change.

Controller Johnson stated he would entertain an amendment to his motion. Secretary of State Ysursa concurred.

Attorney General Wasden moved to amend Controller Johnson's motion to accomplish negotiations between the parties with the Department reporting back to the Board within five business days and that the significant factor determination would not be included in the motion. Secretary of State Ysursa seconded the amended motion.

Director Wiggins asked for a clarification on the five-day reporting period.

Governor Kempthorne asked Attorney General Wasden if he would consider modifying the timeframe in the amended motion to state that this direction be completed before the August 24, 2005 deadline.

Attorney General Wasden agreed to further amend his amended motion with Secretary of State Ysursa in agreement with the change. The amended motion carried on a vote of 5-0.

9. Request by Bogus Basin Recreation Association, Inc. to Transfer Development Rights Between State of Idaho Corrected Deed and Existing Land Sale Certificate – Presented by Denise Mills, Assistant Director, Lands, Minerals, Range

DEPARTMENT RECOMMENDATION: Direct the Department to execute a corrected deed for State of Idaho Deed 11122 along with a revised State Land Sale Certificate No. 25724 to reflect the final Department-approved acreage change in each document once BBRA submits final payment for LSC 25724 and LSC 24729.

BOARD ACTION: A motion was made by Controller Johnson to approve the Department's recommendation. Attorney General Wasden seconded the motion. The motion carried on a vote of 5-0.

At 10:35 a.m., a motion was made by Attorney General Wasden to resolve into Executive Session. Controller Johnson seconded the motion. The motion carried on a vote of 5-0.

• **EXECUTIVE SESSION**

- A. To Consider Records that are Exempt from Disclosure [[Idaho Code § 67-2345\(1\)\(d\)](#)]
- B. To Consider and Advise Its Legal Representatives in Pending Litigation or Where There is a General Public Awareness of Probable Litigation [[Idaho Code § 67-2345\(1\)\(f\)](#)]
- C. To Consider Personnel Matters [[Idaho Code § 67-2345\(1\)\(b\)](#)]
- D. To Consider Acquiring an Interest in Real Property Which is Not Owned by a Public Agency [[Idaho Code § 67-2345\(1\)\(c\)](#)]

At 10:54 a.m., a motion was made by Attorney General Wasden to resolve into Regular Session. Secretary of State Ysursa seconded the motion. The motion carried on a vote of 5-0.

There being no further business to come before the Board, the meeting adjourned at 10:54 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/ Ben Ysursa

Ben Ysursa
Secretary of State

/s/ Winston A Wiggins

Winston A Wiggins
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the September 13, 2005 regular Land Board meeting.