



STATE BOARD OF LAND COMMISSIONERS

C. L. "Butch" Otter, Governor and President of the Board
Ben Ysursa, Secretary of State
Lawrence G. Wasden, Attorney General
Donna M. Jones, State Controller
Tom Luna, Superintendent of Public Instruction

George B. Bacon, Secretary to the Board

Final Minutes
Regular State Land Board Meeting
January 19, 2011

The regular meeting of the Idaho State Board of Land Commissioners was held on Wednesday, January 19, 2011 in Boise, Idaho. The meeting began at 9:02 a.m. in the second floor courtroom of the Borah Building, 304 North 8th Street, Boise. The Honorable Governor C. L. "Butch" Otter presided. The following members were present:

Honorable Secretary of State Ben Ysursa
Honorable Attorney General Lawrence Wasden
Honorable State Controller Donna Jones
Honorable Superintendent of Public Instruction Tom Luna

For the record, Governor Otter noted that all members of the board were present.

• **CONSENT**

1. Director's Report

- A. Interest Rate on Department Transactions – January 2011
- B. Timber Sale Activity and Information Report – December 2010
- C. Division of Lands, Minerals, Range Official Transactions – December 2010
- D. Legal Matter Summary – December 2010
- E. Fire Settlement Information – December 2010

DISCUSSION: Regarding item B, Timber Sale Activity and Information Report, Director Bacon noted that market trends and the general outlook shows the lumber market is moving at a stronger pace than expected. He also noted that home sales continue to lag, and foreign markets have helped to exert upward pressure on timber prices.

2. Timber Sales for Approval – Staffed by Roger Jansson, Operations Chief-North, and Kurt Houston, Operations Chief-South

<u>NORTH OPERATIONS</u>				<u>COUNTY</u>	<u>AREA OFFICE</u>
A. Breaking John Pole	CR-30-0577	3,103	POLES	Benewah	St. Joe (St. Maries)

<u>SOUTH OPERATIONS</u>				<u>COUNTY</u>	<u>AREA OFFICE</u>
B. Cougar Rim	CR-40-1054	2,430	MBF	Clearwater	Clearwater (Orofino)
C. Mudball	CR-50-0166	13,141	TONS	Adams	Payette (McCall)

3. Request to Dispose of Surplus Property Owned by the Idaho Department of Fish and Game (Lawman Ranch Site) – Staffed by Greg Servheen, Department of Fish and Game

RECOMMENDATION: That the Board direct the Department to publish public notice and conduct a public hearing in accordance with Idaho Code § 58-332(2) regarding the sale of the surplus property, including mineral rights, to the U.S. Forest Service based on their November 15, 2010 letter.

4. Request to Dispose of Surplus Property Owned by the Idaho Department of Fish and Game (Withers Ranch Site) – Staffed by Greg Servheen, Department of Fish and Game

RECOMMENDATION: That the Board direct the Department to publish public notice and conduct a public hearing in accordance with Idaho Code § 58-332(2) regarding the sale of the surplus property, including mineral rights, to the U.S. Forest Service based on their November 15, 2010 letter.

5. Approval of Minutes – December 21, 2010 Regular Meeting (Boise)

CONSENT AGENDA BOARD ACTION: A motion was made by Attorney General Wasden to adopt the Consent Agenda. Controller Jones seconded the motion. The motion carried on a vote of 5-0.

- **REGULAR**

6. Grazing Lease Auction Results and Thompson Livestock Appeal – Presented by Bob Brammer, Assistant Director, Lands, Minerals, Range

DEPARTMENT RECOMMENDATION: That the Board: (1) Deny Thompson’s appeal; (2) Accept the high bid of \$310,000 for grazing lease G800084 and direct the Department to issue a twenty-year lease to Van Orden; (3) Forward payment of \$57,780.00 to Thompson for its creditable improvements on lease G800084; and (4) Accept the high bid of \$70,200 for the grazing lease G800052 and direct the Department to issue a twenty-year lease to Van Orden.

DISCUSSION: A verbatim transcript is available upon written request to Land Board Recording Secretary, Idaho Department of Lands, 300 North 6th Street, Suite 103, Post Office Box 83720, Boise, Idaho 83720-0050, or by email to sterry@idl.idaho.gov or fax to (208) 334-5342.

BOARD ACTION: A motion was made by Attorney General Wasden that the Board adopt the Department’s recommendation as presented. Controller Jones seconded the motion. A roll call vote was taken: *Aye:* Yursa, Wasden, Jones, Luna, Otter; *Nay:* None; *Absent:* None. The motion carried on a vote of 5-0, Aye.

7. Land Board Meetings Outside of Boise – Presented by George Bacon, Director

DEPARTMENT RECOMMENDATION: That the State Board of Land Commissioners forego setting two regular meetings outside of Boise in calendar year 2011 due to budgetary concerns.

DISCUSSION: Director Bacon indicated that the only meeting location that has been cancelled to date was Sandpoint in June 2010. Governor Otter suggested that the board consider and assess the possibility of holding a meeting for Sandpoint using the Idaho Education Network.

Attorney General Wasden stated that while he believes traveling to other locations in the state has been valuable to the board and to the public, he agrees it is appropriate to cancel the off-site board meetings for this year due to state budget concerns.

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

• **INFORMATION**

Background information was provided by the presenters indicated below. No Land Board action is required on the Information Agenda.

8. Land Revenue Forecast – Presented by Patrick Hodges, Division Administrator, Support Services

DISCUSSION: None.

9. Endowment Fund Investment Board Manager's Report – Presented by Larry Johnson, Manager of Investments, EFIB

- A. Manager's Report
- B. Investment Report
- C. Updated Forecast of Endowment Fund Reserves

DISCUSSION: None.

At 10:35 a.m. a motion was made by Attorney General Wasden to resolve into Executive Session pursuant to Idaho Code § 67-2345(1)(b) for the purpose of conducting an employee evaluation of the Director of the Department of Lands, George Bacon. Attorney General Wasden requested that a roll call vote be taken and that the secretary record the vote in the minutes of the meeting. A Roll Call Vote was taken. Roll Call Vote: *Aye:* Yursa, Wasden, Jones, Luna, Otter; *Nay:* None; *Absent:* None.

- **EXECUTIVE SESSION**

- A. Idaho Code 67-2345(1)(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. [TOPIC: Performance Evaluation – Director, Department of Lands]

At 11:11 a.m. a motion was made by Attorney General Wasden to resolve out of Executive Session and that the official minutes of the meeting reflect that no action was taken during the Executive Session. Secretary of State Ysursa seconded the motion. The motion carried on a vote of 5-0.

At 11:12 a.m. a motion was made by Secretary of State Ysursa to adjourn. Attorney General Wasden seconded the motion. The motion carried by unanimous consent. Meeting adjourned.

IDAHO STATE BOARD OF LAND COMMISSIONERS

/s/ C. L. "Butch" Otter

C. L. "Butch" Otter
President, State Board of Land Commissioners and
Governor of the State of Idaho

/s/ Ben Ysursa

Ben Ysursa
Secretary of State

/s/ George Bacon

George B. Bacon
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the February 15, 2011 regular Land Board meeting.