



## Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Phil McGrane, Secretary of State

Raúl R. Labrador, Attorney General

Brandon D Woolf, State Controller

Debbie Critchfield, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

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*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.*

### Final Minutes

State Board of Land Commissioners Regular Meeting

February 20, 2024

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, February 20, 2024 at the Boise City Council Chambers, Boise City Hall, 3rd Floor, 150 N. Capitol Blvd., Boise, Idaho, and via webinar. The meeting began at 8:58 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little  
Honorable Secretary of State Phil McGrane  
Honorable Attorney General Raúl Labrador  
Honorable State Controller Brandon Woolf

Four members were present at the physical location: Governor Little, Secretary of State McGrane, Attorney General Labrador, and Controller Woolf. Superintendent Critchfield was attending to Department of Education business at the Legislature.

Director Miller announced the winner of the Department's 2023 Safety Award, Shannon McCormick, in recognition of outstanding contributions to the Department of Lands' safety culture, including identifying safety issues, mitigating safety issues, following through and completing actions needed, and consistently making safety a top priority. Shannon leads the timber measurement program and timber scalers that are pivotal in fulfilling the Department's mission; they are responsible for precisely measuring logs delivered to the mills for payment to the Department and thus to the beneficiaries. The Safety Committee selected Shannon based on the strength of nominations received and noted it was a high honor that scalers took time and effort to nominate her. Governor Little offered congratulations and remarked that the beneficiaries and all Idahoans pay if staff are not safe; it is good to recognize and incentivize safety as part of the ethos in the Department of Lands.

#### 1. **Department Report** – Presented by Dustin Miller, Director

##### **Trust Land Revenue**

- A. Timber Sales – January 2024
- B. Leases and Permits – January 2024

**Discussion:** None.

## **Status Updates**

- C. Legislative Summary
- D. Resource Protection and Assistance Report

**Discussion:** None.

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

- A. Manager's Report
- B. Investment Report
- C. Assets Overseen by Investment Board

**Discussion:** Mr. Anton recalled that December was a solid month in the financial markets as the Federal Reserve indicated that inflation was coming down more quickly than anticipated and that the Federal Reserve's fund rate would likely begin dropping in 2024. Equity markets were up slightly in January. Overall, the portfolio was up only 0.1% for the month and up 5% fiscal year-to-date. Mr. Anton noted the fund had gains in early February; through last Friday [2/16] the fund was up 6.9%. In January the U.S. unemployment report delivered a positive signal on labor conditions; 353,000 non-farm payroll jobs were added, and unemployment remained unchanged at 3.7%. Strong labor markets give the Federal Reserve time to make sure inflation is under control before beginning to reduce rates. The improvement in hiring was broad based across many industries and manufacturing turned the corner and showed improvement during the month. In addition, big tech earnings remained robust; 4th quarter profits were released and pushed the S&P500 to a new high during January. Financial markets have been strong again, driven by large tech companies.

## **Consent—Action Item(s)**

### **3. Forest Legacy Program—Baldy Easement – Presented by Archie Gray, Bureau Chief-Forestry Assistance**

**Recommendation:** Authorize the Idaho Department of Lands to accept the Baldy tract into the Forest Legacy Program by way of conservation easement.

**Discussion:** None.

### **4. Results of December 22, 2023 Commercial Recreation Lease Live Auction – Presented by Kemp Smith, Program Manager-Commercial/Residential Leasing**

**Recommendation:** Direct the Department to award commercial recreation lease M100018 to the high bidder, Rocky Point Marina Corporation.

**Discussion:** Governor Little inquired if any renewals are built into the lease. Mr. Smith replied that there are not any renewals built into the lease itself. The five-year term was selected with an eye toward the future. The Department has a lot of inland holdings that border the lease area. Staff see the potential for a larger development and will review that in the next few years. Governor Little commented that explains the \$4,000 premium bid, because of the longevity. Mr. Smith said that is correct.

Secretary of State McGrane observed that effectively the lease is \$44,000 but the real revenue stream is from the percentages of yearly gross receipts. Mr. Smith clarified that the base rate for 2024 is \$40,000 with an annual 3% escalator over the course of the lease. In addition to that, each year the lessee pays the Department 5% of its yearly gross receipts generated from activities conducted under the land lease, and roughly 3.75% of yearly gross receipts for the moorage activities under the submerged land lease. Secretary of State McGrane asked if the Department has any sense of what those receipts may be each year. Mr. Smith responded it can be difficult to speculate, especially in this situation with a new lessee; their operation might be different than what has been traditionally operated. Mr. Smith estimated in the neighborhood of \$10,000/year from the land lease gross receipts and somewhere in the area of \$3,000/year for the submerged land lease receipts.

**5. Approval of Draft Minutes – January 16, 2024 Regular Meeting (Boise)**

**Consent Agenda Board Action:** A motion was made by Controller Woolf that the Land Board adopt and approve the Consent Agenda. Secretary of State McGrane seconded the motion. The motion carried on a vote of 4-0.

**Regular—Action Item(s)**

**6. Approval of Swamp Witch Timber Sale with Clearcut Harvest Unit(s) – Presented by David Greenwood, Bureau Chief-Forest Management**

**Recommendation:** Approve the Swamp Witch Timber Sale.

**Discussion:** None.

**Board Action:** A motion was made by Controller Woolf that the Land Board approve the Swamp Witch Timber Sale with clearcuts on three units. Secretary of State McGrane seconded the motion. The motion carried on a vote of 4-0.

**7. Negotiated Rulemaking for IDAPA 20.03.02, Rules Governing Mined Land Reclamation – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance**

**Recommendation:** Authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.02 Rules Governing Mined Land Reclamation in Idaho.

**Discussion:** None.

**Board Action:** A motion was made by Controller Woolf that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.02 Rules Governing Mined Land Reclamation in Idaho. Attorney General Labrador seconded the motion. The motion carried on a vote of 4-0.

**8. Negotiated Rulemaking for IDAPA 20.03.04, Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho** – *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*

**Recommendation:** Authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.04 *Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho*.

**Discussion:** None.

**Board Action:** A motion was made by Secretary of State McGrane that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.03.04 *Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho*. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

### **Information**

**9. History of Endowment Reform** – *Presented by Robert Maynard, Chief Investment Officer, PERSI-Retired, and Chris Anton, Manager of Investments, EFIB*

**Discussion:** *Audio and video recordings of this agenda item are available by request to the Department of Lands, Attn: Land Board Recording Secretary, PO Box 83720, Boise ID 83720-0050; or by email to [public\\_records\\_request@idl.idaho.gov](mailto:public_records_request@idl.idaho.gov).*

### **Executive Session**

None

There being no further business before the Land Board, at 10:38 a.m. a motion to adjourn was made by Controller Woolf. Secretary of State McGrane seconded the motion. The motion carried on a vote of 4-0.

Idaho State Board of Land Commissioners

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*/s/ Brad Little*

Brad Little  
President, State Board of Land Commissioners and  
Governor of the State of Idaho

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*/s/ Phil McGrane*

Phil McGrane  
Secretary of State

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*/s/ Dustin T. Miller*

Dustin T. Miller  
Director

The above-listed final minutes were approved by the State Board of Land Commissioners at the March 19, 2024 Land Board meeting.