

State Board of Land Commissioners Open Meeting Checklist

Meeting Date: May 21, 2024

Regular Meetings

5/7/2024	Meeting Notice posted in prominent place in IDL's Boise Director's office five (5) or more calendar days before meeting.
5/7/2024	Meeting Notice posted in prominent place in IDL's Coeur d'Alene staff office five (5) or more calendar days before meeting.
5/7/2024	Meeting Notice posted in prominent place at meeting location five (5) or more calendar days before meeting.
5/7/2024	Meeting Notice posted electronically on IDL's public website https://www.idl.idaho.gov five (5) or more calendar days before meeting.
5/8/2024	Meeting Notice published on Townhall Idaho website https://townhall.idaho.gov five (5) or more calendar days before meeting.
5/16/2024	Agenda posted in prominent place in IDL's Boise Director's office forty-eight (48) hours before meeting.
5/16/2024	Agenda posted in prominent place in IDL's Coeur d'Alene staff office forty-eight (48) hours before meeting.
5/16/2024	Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
5/16/2024	Agenda posted electronically on IDL's public website https://www.idl.idaho.gov forty-eight (48) hours before meeting.
5/16/2024	Agenda published on Townhall Idaho website https://townhall.idaho.gov forty-eight (48) hours before meeting.
4/8/2024	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 posted electronically on IDL's public website https://www.idl.idaho.gov 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.
	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 posted electronically on IDL's public website https://www.idl.idaho.gov 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.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.



Recording Secretary

May 16, 2024

Date



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

NOTICE OF PUBLIC MEETING MAY 2024

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, May 21, 2024 in the **State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise**. The meeting is scheduled to begin at 9:00 AM (Mountain).

Please note location.

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/>

Members of the public may register to attend the Zoom webinar through this link:

https://idl.zoom.us/webinar/register/WN_trLb_503Qg-yK6Y4BB4MTg

First Notice Posted: 5/7/2024-IDL Boise; 5/7/2024-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

May 21, 2024 – 9:00 AM (MT)

Amended 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/>

Members of the public may register to attend the Zoom webinar through this link:

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

Trust Land Revenue

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

Status Updates

- C. Pre-Season Fire Brief

2. Endowment Fund Investment Board – *Presented by Tom Wilford, EFIB Chairman, and Chris Anton, EFIB Manager of Investments*

- A. Manager's Report
- B. Investment Report
- C. Semi-Annual Report

Consent—Action Item(s)

3. Disclaimer of Interest DI600317–Hall and Sons LLC, Boise River – *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*

4. Results of April 24, 2024 Mineral Lease Live Auction – *Presented by Jason Laney, Section Manager-Leasing*

State Board of Land Commissioners

Amended Final Agenda

Regular Meeting – May 21, 2024

Page 1 of 2

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

Regular—Action Item(s)

6. Commercial Real Estate Advisor – Presented by Bill Haagenson, Deputy Director

For the record, pursuant to Idaho Code § 74-204(4)(c), the published agenda was amended following agenda item 6. Refer to meeting minutes for the amendment language.

~~**7. Endowment Land Energy Leasing Policy – Presented by Roger Hall, Bureau Chief Real Estate**~~

Information

~~**8.7. Proposed Rule IDAPA 20.04.01, Rules Pertaining to Forest Fire Protection**~~ – Presented by Josh Harvey, Bureau Chief-Fire Management

~~**9.8. Proposed Rule IDAPA 20.04.02, Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws**~~ – Presented by Josh Harvey, Bureau Chief-Fire Management

~~**10.9. Department of Lands' Legal Staffing Process**~~ – Presented by Dustin Miller, Director

Executive Session

None

IDAHO DEPARTMENT OF LANDS



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

May 21, 2024
Trust Land Revenue

Timber Sales

During April 2024, the Department of Lands sold two endowment timber sales at auction. Both sales had competitive bidding. The net sale value represents a 42% up bid over the appraised value. Two endowment timber sales did not sell at auction.

TIMBER SALE AUCTIONS								
Sale Name	Area	Sawlog MBF	Cedar Prod MBF	Pulp MBF	Appraised Value	Sale Net Value	Net \$/MBF	Purchaser
Big Cool	PL	3,300			\$ 945,550.00	\$1,069,482.00	\$324.09	IFG Timber LLC
Keel Over	SJ	6,230			\$ 865,908.00	\$1,499,063.40	\$240.62	PotlatchDeltic Land & Lumber LLC
Endowment		9,530	0	0	\$1,811,458.00	\$2,568,545.40	\$269.52	

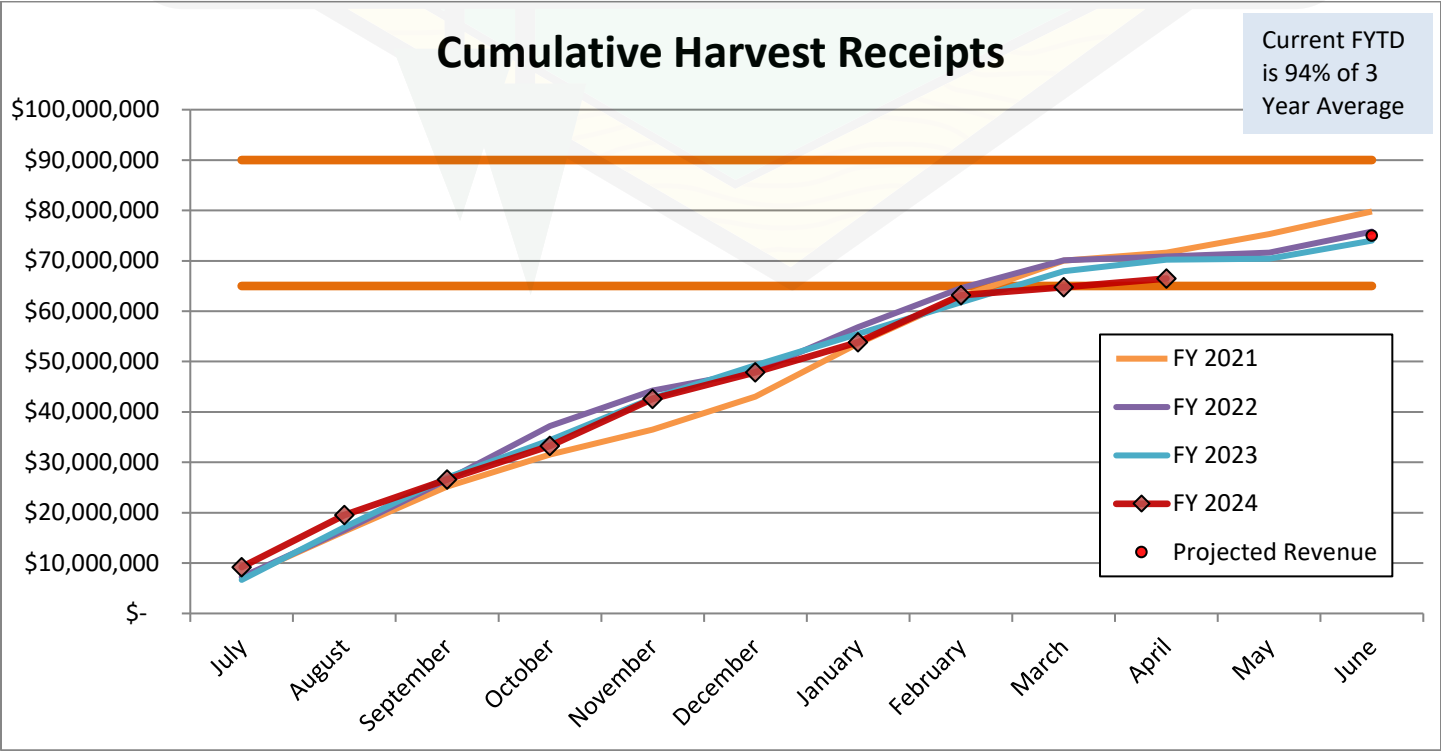
PROPOSED TIMBER SALES FOR AUCTION				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
North Operations				
Swamp Witch	5,565	\$ 599,153.50	POND	5/7/2024
Rocky Pine Cedar	2,600	\$ 997,563.50	POL	5/22/2024
Steep Ranger	2,495	\$ 483,211.50	POL	5/22/2024
Lower Curtis Cedar	6,060	\$ 2,012,913.50	POL	5/22/2024
Little Goblin	2,230	\$ 378,813.00	PL	5/28/2024
4 Corner Flat	2,955	\$ 597,329.50	PL	5/28/2024
Totals	21,905	\$ 5,068,984.50		
South Operations				
Wild Howell	4,000	\$ 382,861.00	SW	5/9/2024
JP North Ton	1,095	\$ 123,039.96	PAY	5/23/2024
Fan Bit GNA Decks	430	\$ 38,728.50	Nez Perce	5/14/2024
Model T Coulee	6,190	\$ 892,848.50	CLWR	5/29/2024
Brown Back Mountain	6,310	\$ 904,786.00	CLWR	5/29/2024
Lakefront Yard Cedar	4,675	\$ 619,080.50	CLWR	5/29/2024
Totals	22,700	\$ 2,961,344.46		

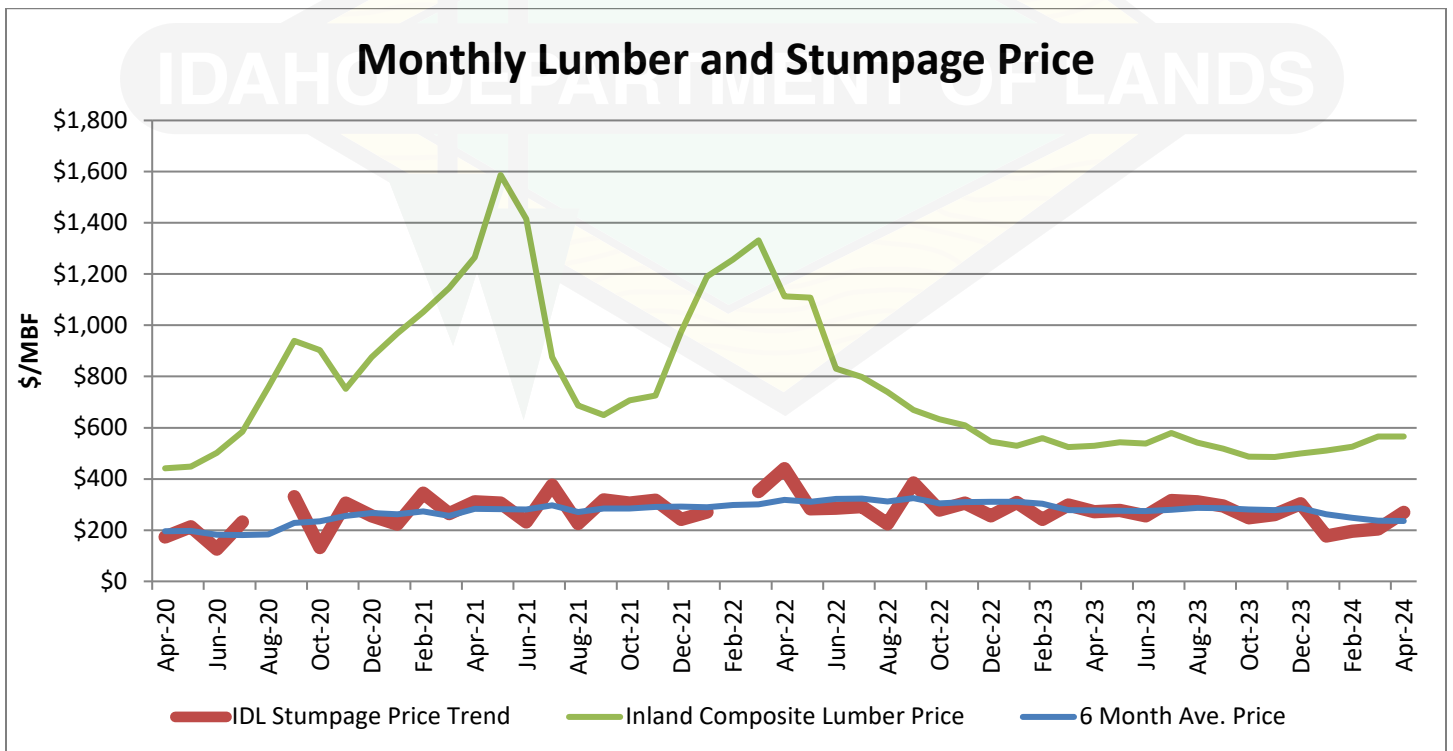
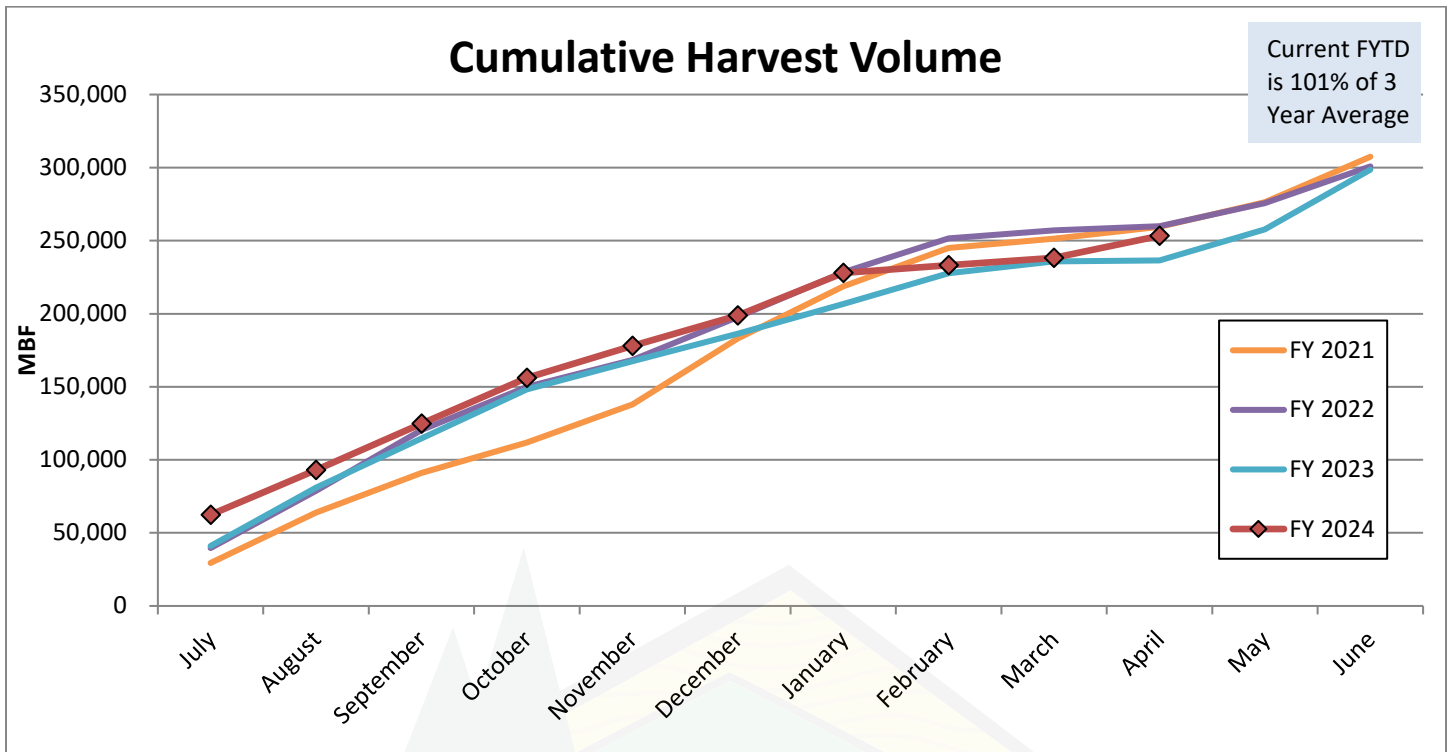
VOLUME UNDER CONTRACT as of April 30, 2024				
	Public School	Pooled	Total	3 Year Avg.
Active Contracts			149	163
Total Residual MBF Equivalent	357,522	161,652	519,174	543,138
Estimated Residual value	\$99,737,315	\$48,264,306	\$148,001,621	\$142,427,458
Residual Value (\$/MBF)	\$278.97	\$298.57	\$285.07	\$262.23

	TIMBER HARVEST RECEIPTS				
	April		FY to date	May Projected	
	Stumpage	Interest	Harvest Receipts	Stumpage	Interest
Public School	\$ 973,869.68	\$ 60,644.86	\$ 41,818,929.18	\$ 3,357,912.70	\$ 231,548.15
Pooled	\$ 651,696.24	\$ 47,621.68	\$ 24,766,199.31	\$ 1,071,706.07	\$ 71,007.03
General Fund	\$ 0.92	\$ 0.00	\$ 9.39	\$ 11.55	\$ 0.38
TOTALS	\$ 1,625,566.84	\$ 108,266.54	\$ 66,585,137.88	\$ 4,429,630.32	\$ 302,555.56

	Status of FY2024 Timber Sale Program						
	MBF Sawlog				Number Poles		
	Public School	Pooled	All Endowments		Public School	Pooled	All Endowments
Sold as of April 30, 2024	131,990	59,232	191,222		16,383	5,472	21,855
Currently Advertised	41,620	13,105	54,725		750	0	750
In Review	43,010	3,745	46,755		5,937	117	6,054
Did Not Sell*	0	0	0		0	0	0
TOTALS	216,620	76,082	292,702		23,070	5,589	28,659
FY2024 Sales Plan			328,000				20,000
Percent to Date			89%				143%

* After three attempts at auction.

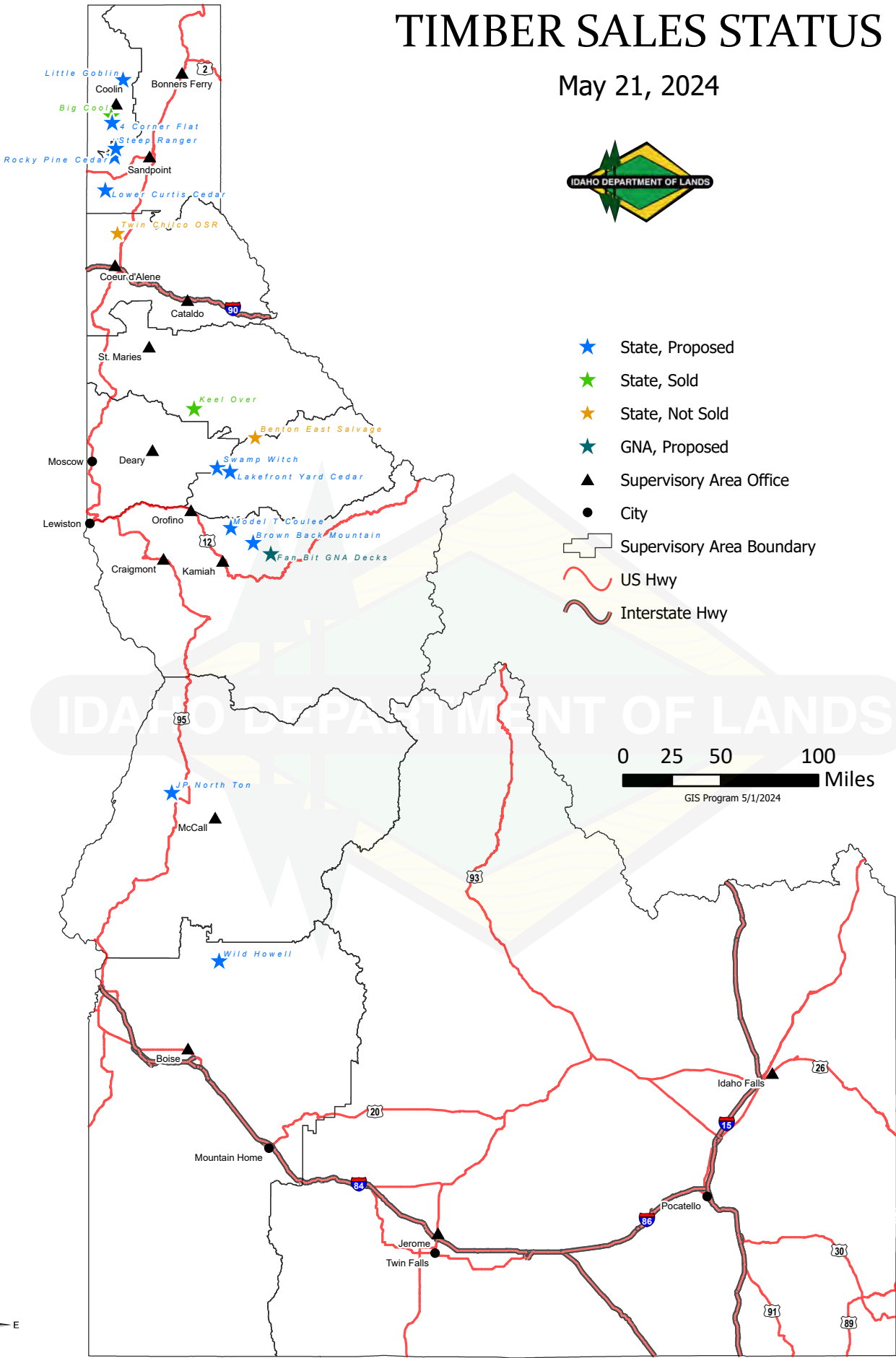




April 2024 6-month average price is \$235.38.
 April 2023 6-month average price was \$276.51.

TIMBER SALES STATUS

May 21, 2024



IDAHO DEPARTMENT OF LANDS

0 25 50 100 Miles

GIS Program 5/1/2024

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024

Endowment Transactions

Leases and Permits

FISCAL YEAR 2024 – LEASING & PERMITTING TRANSACTIONS BY MONTH through April 30, 2024													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
SURFACE													
Agriculture	1	-	-	-	-	-	-	-	-	-	-	-	1
<i>Assignments</i>	-	-	-	-	-	-	-	-	-	1	-	-	1
Communication Sites	1	2	-	-	2	1	-	-	-	-	-	-	6
<i>Assignments</i>	-	-	-	-	-	-	-	1	-	-	-	-	1
Grazing	-	-	-	1	-	-	-	-	1	-	-	-	2
<i>Assignments</i>	-	3	-	-	2	2	5	5	6	-	-	-	23
Residential	-	-	-	7	3	-	2	-	2	-	-	-	14
<i>Assignments</i>	1	-	-	3	-	1	1	1	-	-	-	-	7
COMMERCIAL													
Alternative Energy	-	-	-	-	-	-	-	-	-	-	-	-	0
Industrial	1	-	-	-	-	-	1	-	-	-	-	-	2
Military	-	-	-	-	-	-	1	-	-	-	-	-	1
Office/Retail	-	-	-	-	-	-	-	-	-	-	-	-	0
Recreation	-	-	-	-	-	-	2	-	-	-	-	-	2
<i>Assignments</i>	-	-	-	-	-	-	1	-	-	-	-	-	1
OTHER													
Conservation	-	-	-	-	-	-	-	-	-	-	-	-	0
<i>Assignments</i>	-	-	-	1	-	-	-	-	-	-	-	-	1
Geothermal	-	-	-	-	-	-	-	-	-	-	-	-	0
Minerals	2	1	1	-	2	1	-	2	1	-	-	-	10
<i>Assignments</i>	-	-	-	2	-	-	-	-	-	-	-	-	2
Exploration Location	-	-	32	-	-	-	-	-	-	-	-	-	32
Non-Comm Recreation	2	-	-	-	-	-	-	-	-	-	-	-	2
Oil & Gas	-	-	-	-	-	-	-	-	-	-	-	-	0
PERMITS													
Land Use Permits	1	9	10	9	2	2	8	4	4	9	-	-	58
TOTAL INSTRUMENTS	9	15	43	23	11	7	21	13	14	10	0	0	166

Real Estate

FISCAL YEAR 2024 – REAL ESTATE TRANSACTIONS BY MONTH – through April 30, 2024													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	-	1	-	-	-	-	-	-	-	-	-	1
Deeds Granted	-	-	4	3	-	-	-	-	-	-	-	-	7
Deeds Granted - Surplus	-	-	-	-	-	-	-	-	-	-	-	-	0
Easements Acquired	1	-	-	-	-	-	-	-	-	-	-	-	1
Easements Granted	-	-	1	-	1	-	3	-	1	-	-	-	6
<i>Notes :</i>													

TRUST LAND MANAGEMENT DIVISION
FY2024 GROSS REVENUE (non-timber) - ACTUAL AND FORECASTED
through April 30, 2024

	REVENUE YTD AS OF 04.30.2024	REVENUE EXPECTED BY 04.30.2024*	REVENUE EXPECTED BY 06.30.2024
SURFACE			
AGRICULTURE	\$ 660,509	\$ 592,000	\$ 592,000
COMMUNICATION SITES	\$ 1,401,069	\$ 1,165,000	\$ 1,190,000
GRAZING	\$ 1,178,510	\$ 1,295,200	\$ 1,680,200
RESIDENTIAL LEASES	\$ 961,000	\$ 837,000	\$ 1,017,395
COMMERCIAL			
COMMERCIAL ENERGY RESOURCES	\$ 56,843	\$ 95,840	\$ 95,840
COMMERCIAL INDUSTRIAL	\$ 191,480	\$ 127,000	\$ 142,000
COMMERCIAL MILITARY FACILITIES	\$ -	\$ 151,000	\$ 151,000
COMMERCIAL OFFICE/RETAIL LEASES	\$ 750,347	\$ 835,000	\$ 991,600
COMMERCIAL RECREATION	\$ 766,277	\$ 994,000	\$ 1,014,000
OTHER			
CONSERVATION LEASES	\$ 71,196	\$ 73,000	\$ 73,000
GEOTHERMAL	\$ 2,250	\$ -	\$ 5,012
MINERAL LEASES	\$ 708,044	\$ 111,000	\$ 113,000
OIL AND GAS LEASES	\$ 10,739	\$ 2,076	\$ 3,926
Sub Total	\$ 6,758,263	\$ 6,278,116	\$ 7,068,973
REAL ESTATE SERVICES (ER)	\$ -	**	
Grand Total - Earnings Reserve	\$ 6,758,263		

PERMANENT FUND REVENUE

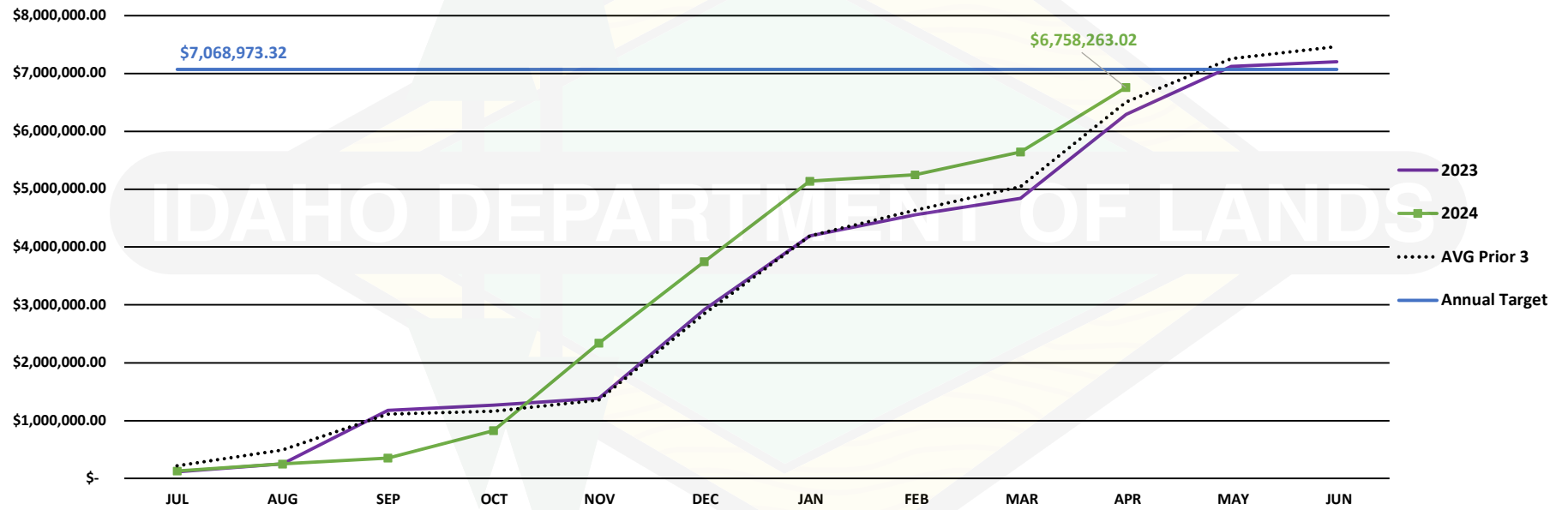
MINERALS (PF) \$ 2,106,911 ***

*These figures are based on historic timing of revenue/billing as well as estimates of upcoming lease and permit revenue.

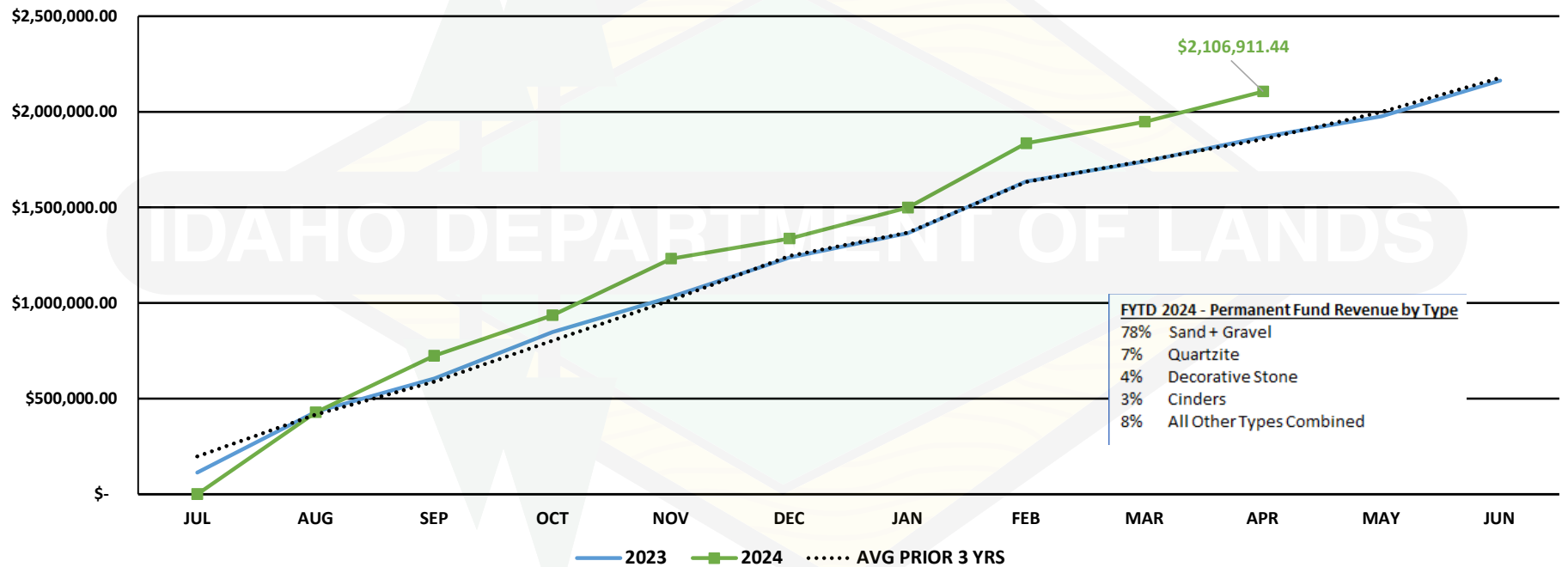
** This category is not included in the annual forecast.

***This category is not included in the annual forecast and represents minerals revenue to the permanent fund.

Cumulative Trust Land Program Receipts
Earnings Reserve - All Programs Excluding Timber
FY 2023 - FYTD 2024



Trust Land Permanent Fund Revenue & Royalties (Excluding Land Bank and Timber Program) FY2023 - FYTD2024



STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Department Report

Pre-Season Fire Brief: May-July 2024

The current Significant Wildland Fire Potential Outlook is normal throughout Idaho for May and June. Most of southern Idaho is forecasted for above average fire potential in July and August, while northern Idaho remains in normal fire potential. Low snowpack and persisting drought in northern Idaho could increase fire potential, however, there is indication of spring moisture that will create a slow start to fire season and moderate conditions early in the summer. This forecast relies on several variables and will become more accurate over the next several months.

As of May 2, IDL had 17 fires for 10.3 acres, mostly due to debris and grass burning. IDL sent resources to Michigan and Virginia already this season.

IDL Resources

IDL's exclusive use helicopter vendor notified IDL in January they were closing their business. IDL staff continue to work on filling that gap and will have an update for the June Land Board. Due to this and turnover with helitack leadership, a full helitack crew will not be hired. IDL will have its regular complement of Amphibious Water Scoopers (Fire Bosses): 2 in Coeur d'Alene and working to secure an additional 2 in CDA, and 4 Single Engine Air Tankers (SEATs) (2 based in McCall and 2 in Grangeville).

IDL will have the 20-person Teakean hand crew based in Deary, a 6-person Northern Idaho Suppression Module based in Sandpoint, and 3 Zone Fire Managers, based in northern, central, and southern Idaho.

There are 33 engines distributed throughout IDL district offices and 9 engines at the two Timber Protective Associations. IDL is expecting to bring on contract engines to assist areas where needed. The 5 Strategic Engines will be in place for the 2025 fire season.

East Idaho FPD update – A new Fire Warden is in place, with 2 job openings currently advertised for Assistant Fire Wardens. IDL is working with the USFS and BLM to finalize the East Idaho FPD boundary. IDL is working through agreements and operating plans. The current plan is to hire a seasonal crew for fire season 2025.

Staffing – IDL continues to recruit for permanent Resource Foremen (9 vacancies/11 fully staffed) and Assistant Fire Wardens (3 vacancies/12 fully staffed). All of IDL's Fire Warden positions are filled. IDL's District Readiness Reviews start the week of May 20 and will wrap up by the end of June. The greatest staffing shortfalls are in the Engine Boss level and Incident Commander Type 4 level. IDL is anticipating 40-60% engines to be fully staffed with seasonal and resource foremen during the fire season for 7-day coverage. This creates a need for higher level fire management, and qualified non-fire IDL staff to backfill engine staffing in addition to their regular jobs.



Thomas J. Wilford :: Chairman
Jerry F. Aldape Mary Pat Thompson
Robert M. Donaldson Chuck Winder
Joseph Forney Kenny Wroten
Irving Littman Brian Yeargain
Chris J. Anton :: Manager of Investments

Monthly Report to the Board of Land Commissioners

Investment performance through April 30, 2024

Month: -3.3% Fiscal year: 7.5%

Headline inflation came in at 0.4% month-over-month and 3.5% on an annual basis. This was the third consecutive month where the rate of inflation was flat to modestly higher. Inflation related to shelter hasn't declined as quickly as anticipated given higher mortgage rates and service inflation remains strong. This generated concerns that the trend of declining inflation may have stalled and that it will take a longer period of higher interest rates to push inflation back down to the Fed's 2.0% target. Financial markets, that at one point anticipated six interest rate cuts in 2024, currently reflect only one interest rate cut in December. U.S. real GDP growth slowed to an annualized rate of 1.6% in the first quarter, down from 3.4% in the fourth quarter of 2023. Interest rates increased and equity markets declined during the month as investors realized it is a bit too soon to declare victory.

Status of endowment fund reserves

Distributions for FY2024 and FY2025 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 – May 21, 2024

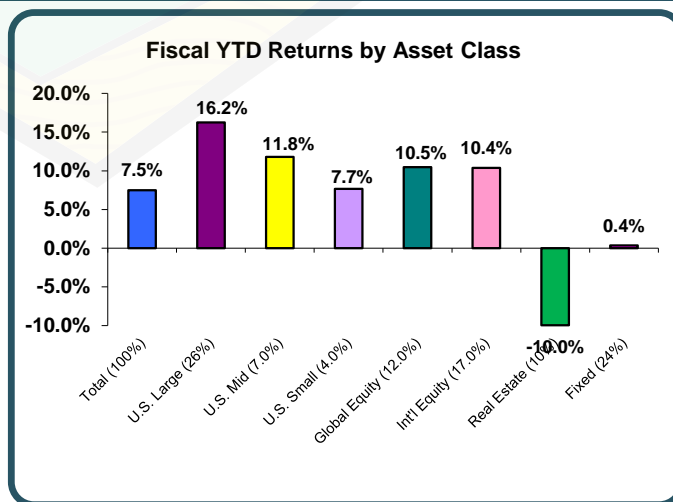
Audit Committee Meeting – May 23, 2024

	Month	FYTD
Beginning Value of Fund	3,238,643,051	\$ 2,947,604,447
Distributions to Beneficiaries	(8,359,583)	(83,845,830)
Land Revenue net of IDL Expenses	3,164,557	42,146,021
Change in Market Value net of Investment Mgt. Expenses	(101,680,645)	225,862,742
Current Value of Fund	\$ 3,131,767,380	\$ 3,131,767,380

	Current Month	Calendar Y-T-D	Fiscal Y-T-D	One Year	Three Year	Five Year	Ten Year
Gross Returns							
Total Fund	-3.3%	2.4%	7.5%	10.5%	2.0%	7.5%	7.3%
Total Fund Benchmark*	-2.9%	1.7%	7.0%	9.8%	2.5%	7.0%	6.9%
Total Fixed	-2.5%	-2.9%	0.4%	-0.8%	-3.1%	0.2%	1.4%
BBG U.S. Agg. (Ag)	-2.5%	-3.3%	0.0%	-1.5%	-3.2%	0.2%	1.3%
Total Equity	-4.0%	5.6%	12.6%	18.6%	4.0%	10.8%	9.8%
57% R3 29% Ax 14% AC	-3.5%	4.4%	12.2%	17.8%	4.4%	9.9%	9.2%
Domestic Equity	-4.6%	5.9%	14.4%	23.0%	4.9%	12.0%	11.5%
Russell 3000 (R3)	-4.4%	5.2%	14.0%	22.3%	6.3%	12.4%	11.8%
Global Equity	-3.2%	4.5%	10.5%	15.0%	4.6%	10.7%	8.2%
MSCI ACWI (AC)	-3.3%	4.6%	12.2%	17.5%	4.3%	9.4%	8.2%
Int'l. Equity	-3.2%	5.8%	10.4%	12.3%	1.9%	8.6%	6.4%
MSCI ACWI ex-US (Ax)	-1.8%	2.8%	8.6%	9.3%	0.3%	5.0%	3.9%
Real Estate			-10.0%	-13.5%	1.8%	2.6%	
NCREIF ODCE Index			-4.9%	-12.9%	6.1%	4.7%	

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

	Mkt Value	Allocation
Domestic Equity	\$ 1,163.7	37.2%
Large Cap	818.2	26.1%
Mid Cap	219.3	7.0%
Small Cap	126.2	4.0%
Global Equity	379.1	12.1%
Int'l Equity	533.6	17.0%
Fixed Income	799.0	25.5%
Real Estate	240.7	7.7%
Cash	15.8	0.5%
Total Fund	\$ 3,131.8	100.0%



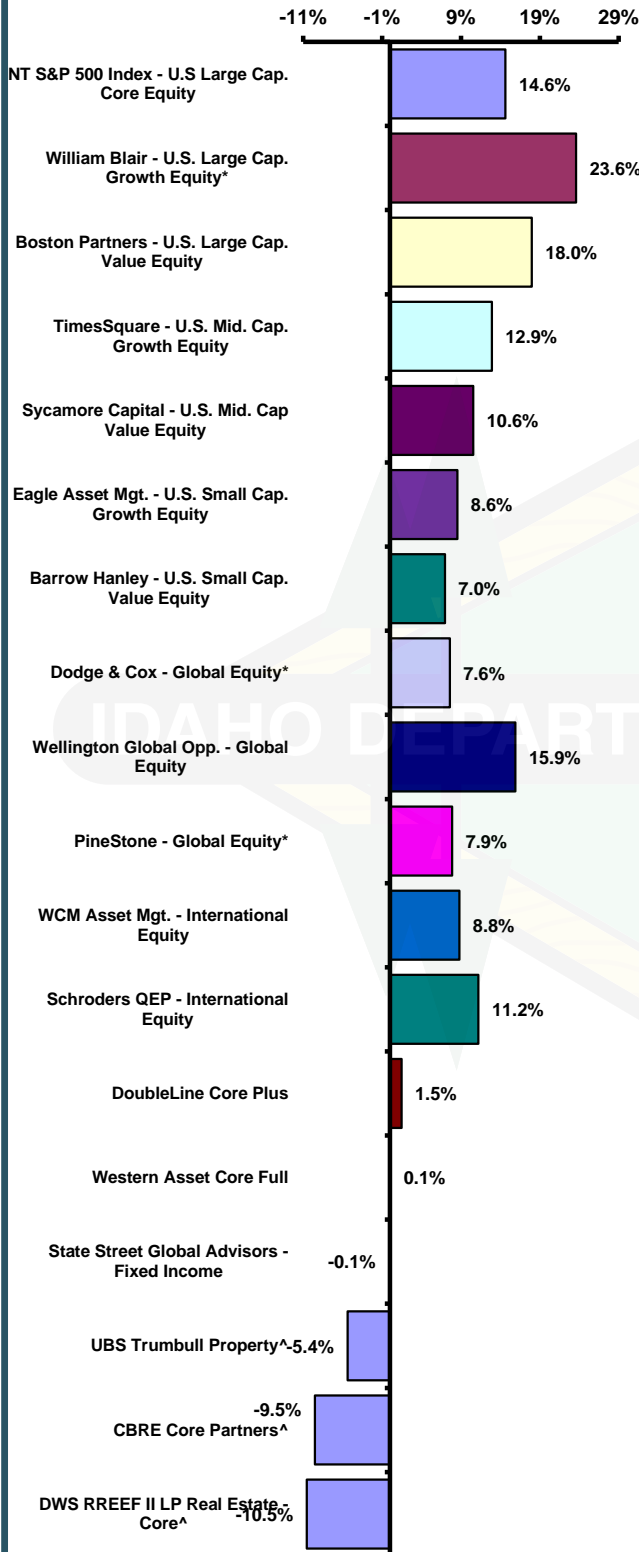
Endowment Fund Staff Comments:

Headline inflation came in at 0.4% month-over-month and 3.5% on an annual basis. This was the third consecutive month where the rate of inflation was flat to modestly higher. Inflation related to shelter hasn't declined as quickly as anticipated given higher mortgage rates and service inflation remains strong. This generated concerns that the trend of declining inflation may have stalled and that it will take a longer period of higher interest rates to push inflation back down to the Fed's 2.0% target. Financial markets, that at one point anticipated six interest rate cuts in 2024, currently reflect only one interest rate cut in December. U.S. real GDP growth slowed to an annualized rate of 1.6% in the first quarter, down from 3.4% in the fourth quarter of 2023. Interest rates increased and equity markets declined during the month as investors realized it is a bit too soon to declare victory.

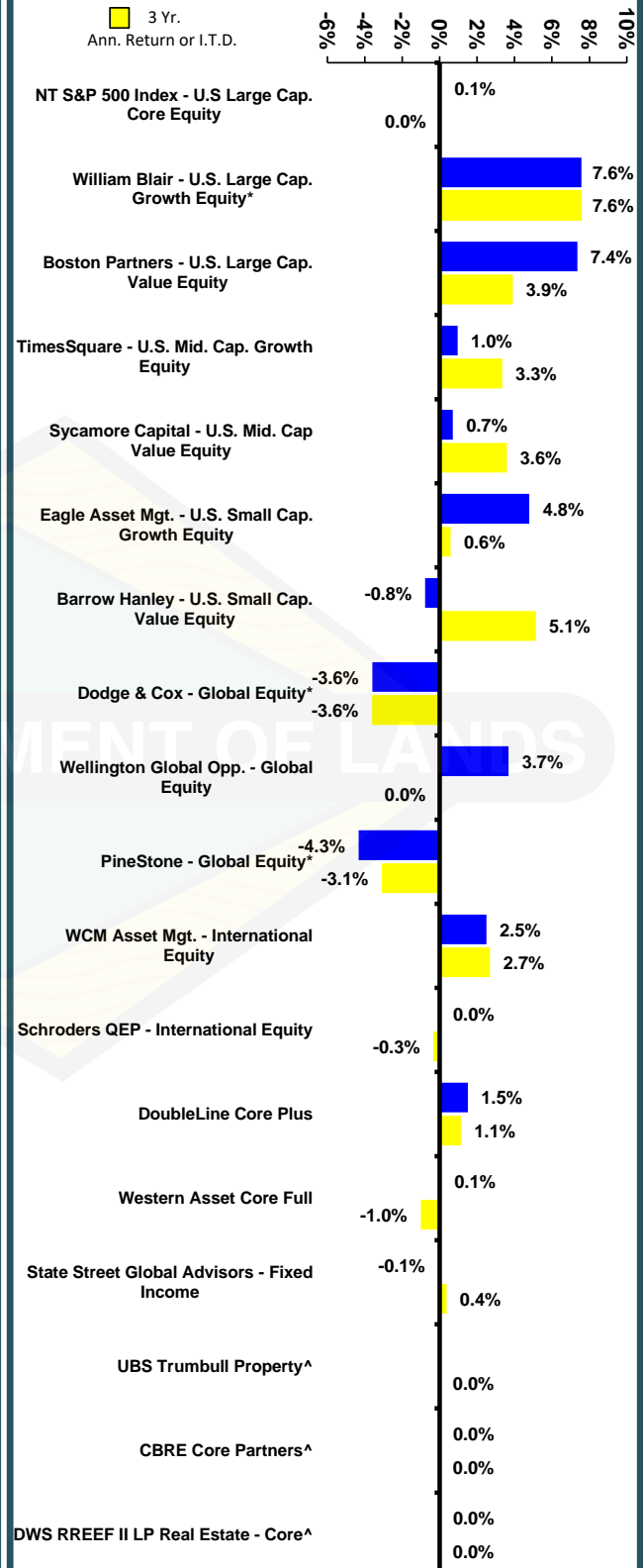
April 30, 2024

INVESTMENT REPORT

FYTD Manager Returns*



Manager Relative Returns Fiscal YTD and 3-Yr Ave*



^ Most recent valuation. * I-T-D if no FYTD or 3-yr. history

Semi-Annual Report to the Board of Land Commissioners

Endowment Fund Investment Board
May 21, 2024



Mission:

Endowment Fund Investment Board

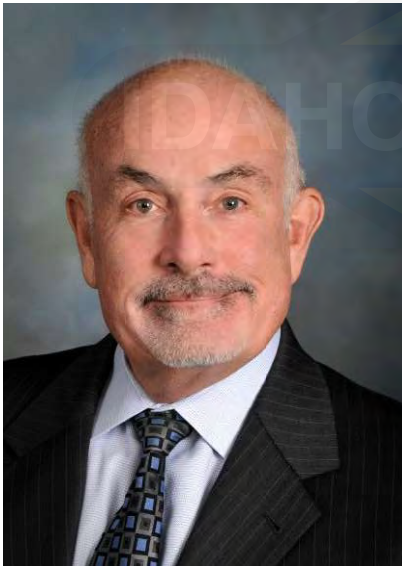
Provide outstanding investment management services to our stakeholders consistent with our constitutional and statutory mandates.

Assets Overseen by the Investment Board April 30, 2024

	Assets	Percent of
	(\$ Millions)	Total
Land Grant Endowment	\$ 3,132	72.7%
State Insurance Fund	987	22.9%
DEQ	125	2.9%
Fish & Game	55	1.3%
Parks & Rec.	6	0.1%
ID Dept. of Lands	1	0.0%
Total	<u>\$ 4,306</u>	<u>100.0%</u>

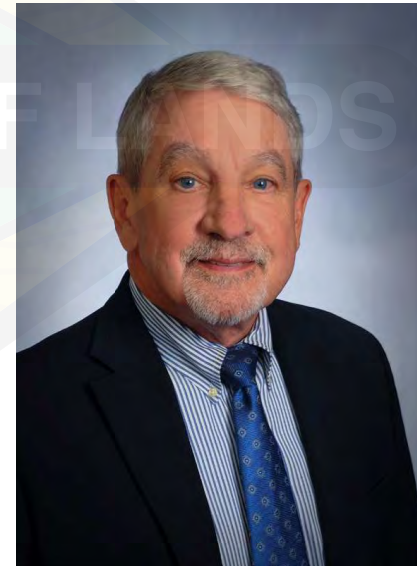
Endowment Fund Investment Board Members

Jerry Aldape



Tom Wilford
Chairman

Robert Donaldson



Endowment Fund Investment Board Members

Joseph Forney



Irv Littman

Mary Pat Thompson



Endowment Fund Investment Board Members

**Senator
Chuck Winder**



**Representative
Kenny Wroten**

Brian Yeargain

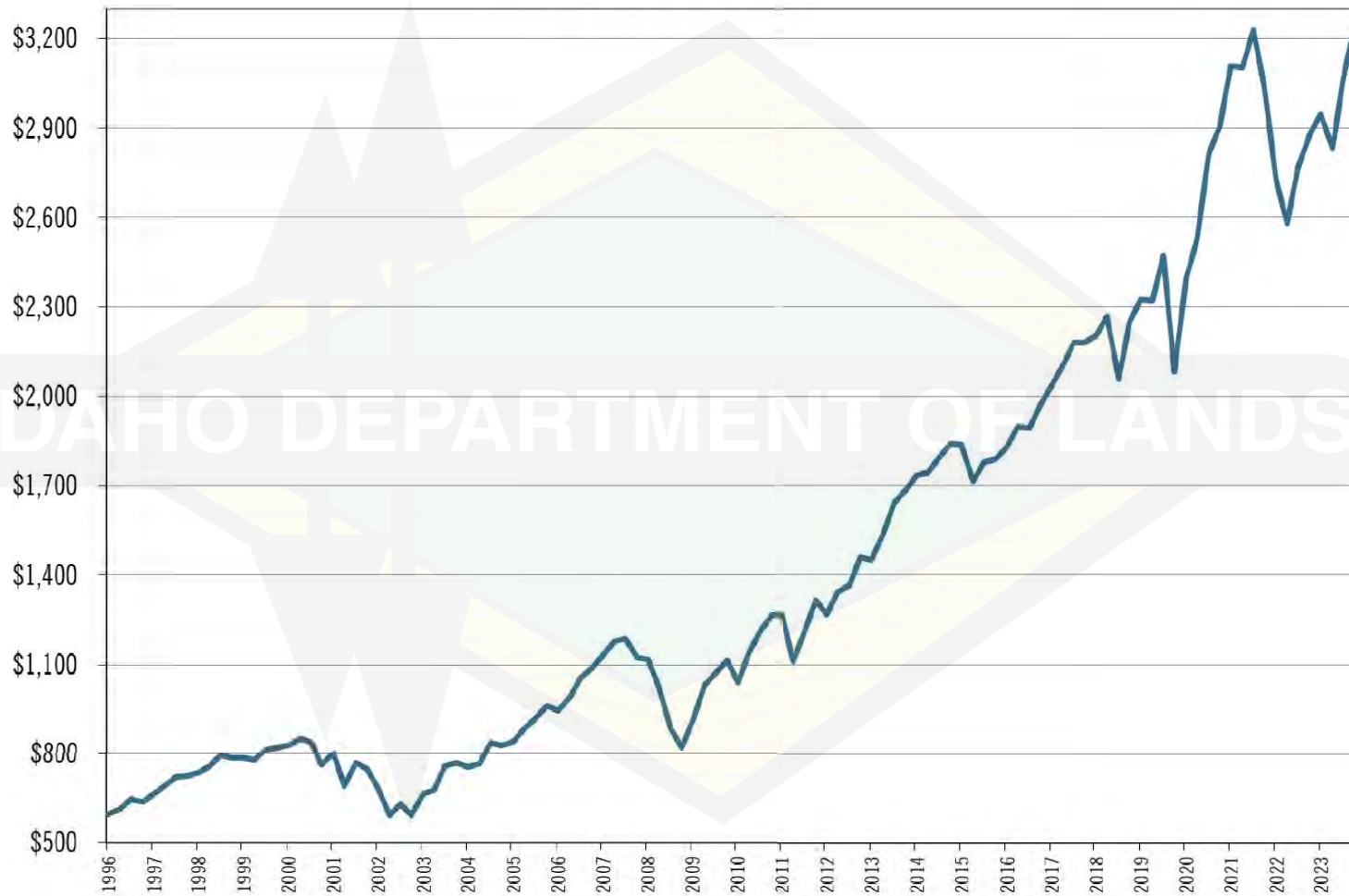


Financial Summary – Land Grant Endowments

Ten Months Fiscal Year-to-Date 2024

- Total investment return is 7.5% for the first ten months of fiscal 2024.
- Compared to the previous fiscal year end:
 - Total land grant endowment fund balance has increased \$185 million.

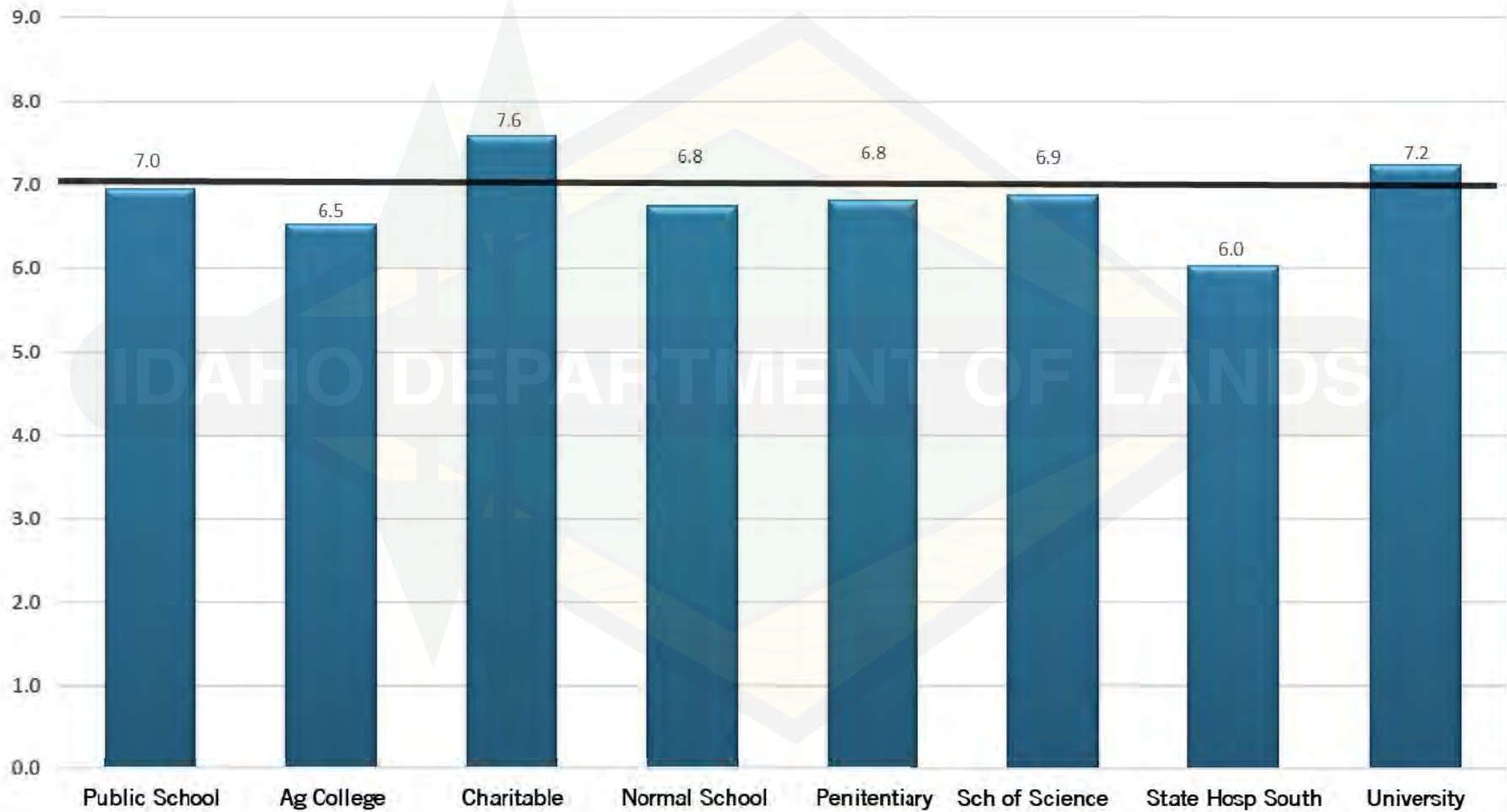
Total Land Grant Endowment Fund Assets
June 1996 - March 2024
(in millions)



Years of Reserve and Desired Target as of March 2024

Based on 2025 Distributions

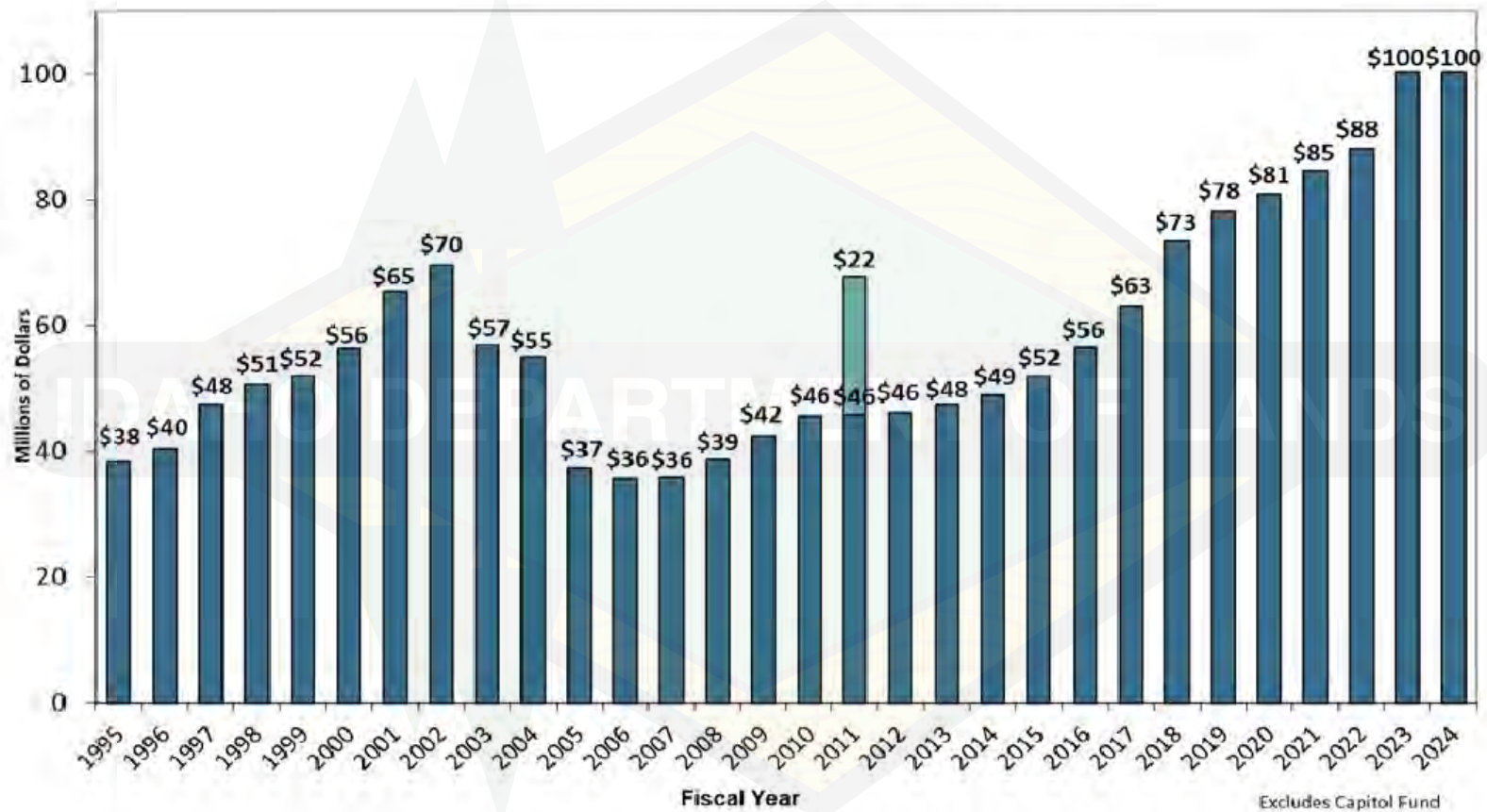
Years



Beneficiary Distributions

1995-2024

(includes special Public School distribution in 2011 of \$22M)



School Bond Credit Enhancement Program

EFIB administers a Credit Enhancement program that allows eligible voter-approved school bonds to be issued with a Aaa rating by Moody's. While the State of Idaho is rated Aaa, bonds issued by school districts through the Idaho Bond Bank Authority without EFIB's credit enhancement are rated Aa1.

- EFIB will provide credit enhancement on up to \$1.2 billion in bonds. Currently, \$520 million in outstanding commitments.
- The limit per school district is \$40 million.
- Backed by \$300 million in Public School Endowment Fund assets.
- Aaa rating currently lowers the issuer's interest rates approximately 0.05% points annually (material savings on multi-million dollar issues).

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Consent Agenda

Subject

DI600317, Disclaimer of Interest for the former bed of the Boise River, Canyon County, Idaho

Question Presented

Shall the Land Board approve Disclaimer of Interest DI600317?

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

Hall & Sons, LLC, an Idaho limited liability company, has applied for a disclaimer of interest for two parcels of accretion land totaling 28.42 acres, more or less. These parcels are located within the original surveyed river meander lines of the Boise River adjacent to the applicant's deeded property in Sections 21, 20, 17, and 16 of 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 licensed surveyor completed a survey. The Department reviewed the survey, deeds, and tax documents, and determined that the disclaimer was ready to move forward (Attachments 2-3).

Hall & Sons, 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. Hall & Sons, LLC will also grant the State of Idaho a disclaimed parcel of land totaling 0.068 acres.

Recommendation

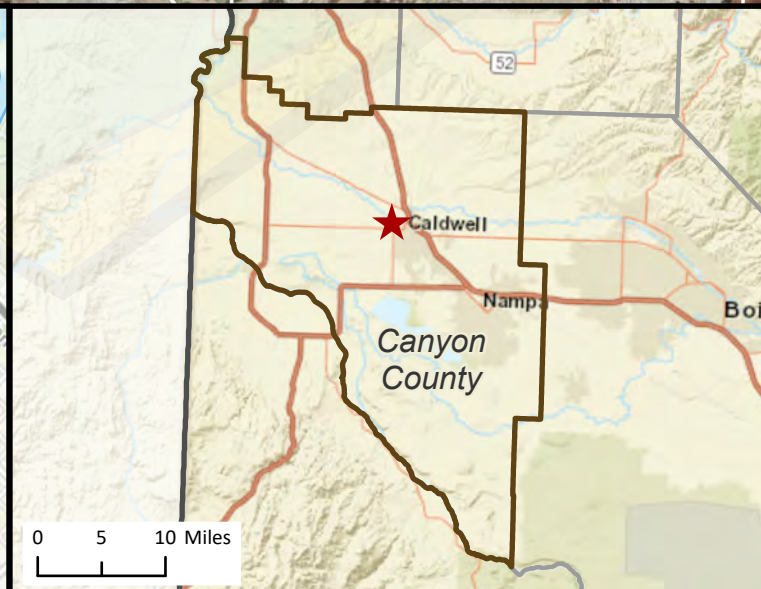
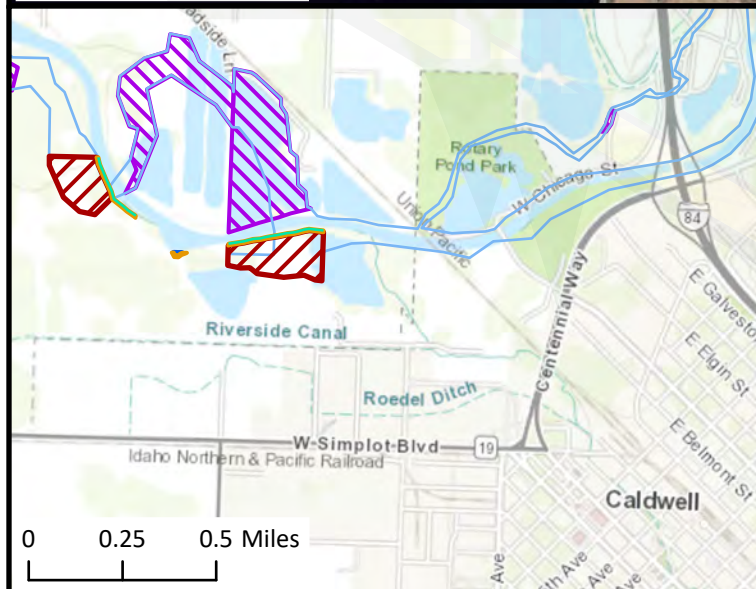
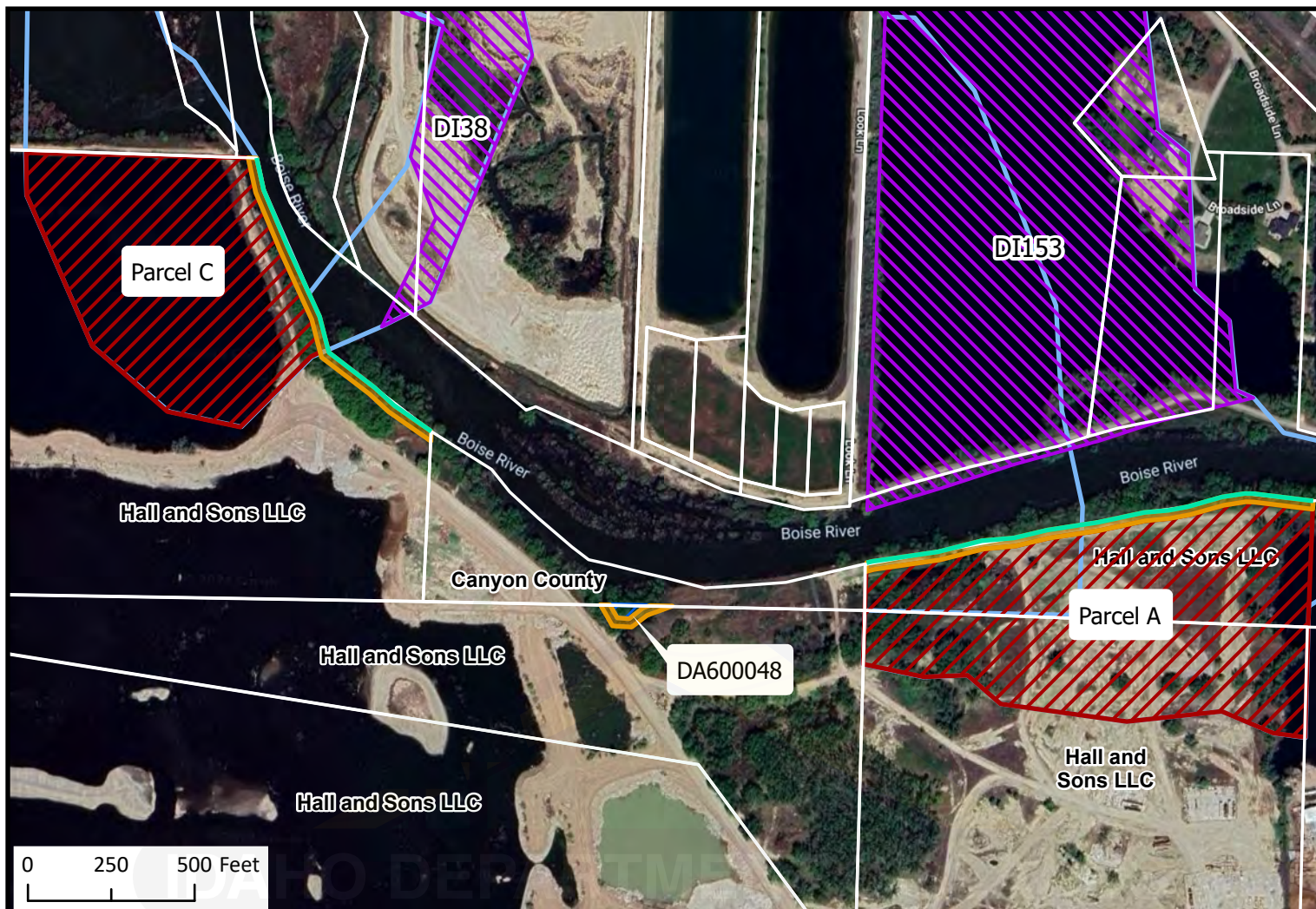
Direct the Department to issue a Disclaimer of Interest for two parcels totaling 28.42 acres of the former bed of the Boise River, to Hall & Sons, LLC following their payment to the Department of the remaining processing fee of \$300.







Board Action

Attachments

1. Map
2. Deed
3. Tax Record





-  Disclaim TO State
-  Disclaim BY State
-  Existing Disclaimers
-  25' Access Easement
-  Meander Line
-  Ordinary High Water Mark
-  County Parcel



DI600317
Canyon County
Sec. 16, 17, 20, 21
T04N - R03W

5/3/2024



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.

jnarducci | X:\Projects\Lands_and_Waterways\Disclaimers\DI600317\DI600317.aprx



PioneerTitleCo.
GOING BEYOND

5680 E. Franklin Rd., Ste. 150
Nampa, ID 83687

ELECTRONICALLY RECORDED-DO NOT
REMOVE THE COUNTY STAMPED FIRST
PAGE AS IT IS NOW INCORPORATED AS
PART OF THE ORIGINAL DOCUMENT

File No. 773578 CH/

2021-070347

RECORDED

10/12/2021 10:17 AM

CHRIS YAMAMOTO
CANYON COUNTY RECORDER

Pgs=4 MBROWN

\$15.00

TYPE: DEED

PIONEER TITLE CANYON - CALDWELL
ELECTRONICALLY RECORDED

WARRANTY DEED

For Value Received Michael Kurz, Mountain West Region President, Staker & Parson Companies
dba Jack B Parson Companies

hereinafter referred to as Grantor, does hereby grant, bargain, sell, warrant and convey unto

Hall & Sons LLC, an Idaho Limited Liability Company

hereinafter referred to as Grantee, whose current address is 10801 W Hubbard Road Kuna, ID 83634

The following described premises, to-wit:

See Exhibit A attached hereto and made a part hereof.

SUBJECT TO THE FOLLOWING RESTRICTIVE COVENANT;

"The Deed shall contain a restrictive covenant hereby agreed to by Seller and Buyer, prohibiting in perpetuity the use of the property for the (i) mining, excavation or extraction of sand, gravel, clay, overburden, dolomite, limestone, sandstone, boulders, stones or rocks suitable for use in building, construction and road making (including concrete, clay brick, asphalt, roadbeds, railroad ballast or other use), (ii) operation of an asphalt plant or asphalt-related business, (iii) operation of a concrete, concrete block, glass, or other building products plant, or (iv) operation of concrete batch plant (including both ready-mix plants and central-mix plants) or (v) operation of a concrete paver, edger or pre-built modular hardscapes plant. Such covenant shall run with the land and shall be binding upon Buyer's successors and assigns and all subsequent owners of the property until its natural expiration or earlier termination by the Seller. Such covenant is only for the benefit of the Seller and its successors or assigns."

Acknowledged by:

Hall & Sons LLC

By

To HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee(s), and Grantees(s) heirs and assigns forever. And the said Grantor(s) does (do) hereby covenant to and with the said Grantee(s), the Grantor(s) is/are the owner(s) in fee simple of said premises; that said premises are free from all encumbrances EXCEPT those to which this conveyance is expressly made subject and those made, suffered or done by the Grantee(s); and subject to U.S. Patent reservations, restrictions, dedications, easements, rights of way and agreements, (if any) of record, and current

years taxes, levies, and assessments, includes irrigation and utility assessments, (if any) which are not yet due and payable, and that Grantor(s) will warrant and defend the same from all lawful claims whatsoever.

Dated: October 4, 2021

Staker & Parson Companies dba Jack B Parson Companies

by Michael Kurz
Michael Kurz, Mountain West Region President
State of Utah, County of Salt Lake

This record was acknowledged before me on October 4, 2021 by Michael Kurz, as Mountain West Region President of Staker & Parson Companies dba Jack B Parsons Companies .

Alice Niemeyer
Signature of notary public
Commission Expires:

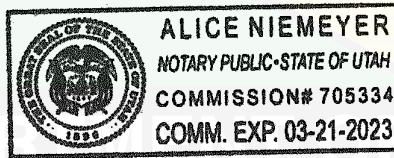


EXHIBIT A

Parcel No. 1:

All of U.S. Government Lot 8 and a part of U.S. Government Lot 2 in the South Half of the Southeast Quarter of Section 17, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

BEGINNING at the Southeast corner of said Section 17, marked by a Canyon County brass cap monument; Thence on the South boundary of said Section 17 South 89° 30' 00" West 1,326.13 feet to the East 1/16 corner common to Section 17 and Section 20, marked by a Canyon County brass cap monument, said 1/16 corner being the REAL POINT OF BEGINNING;

Thence continuing on the South boundary of said Section 17 South 89° 30' 00" West 1,326.13 feet to the Quarter corner common to Section 17 and Section 20, being marked by spike and a yellow plastic cap in the base of a Poplar tree marked 1/4;

Thence on the West boundary of the Southeast Quarter of said Section 17 North 0° 46' 50" East 1,321.42 feet to the Northwest corner of the South Half of the Southeast Quarter of said Section 17, marked by a brass cap monument from which the Quarter corner common to Section 8 and Section 17, marked by a 1-inch iron bar bears North 0° 46' 50" East 3,946.26 feet;

Thence on the North boundary of the South Half of the Southeast Quarter of said Section 17 North 89° 34' 10" East 764.12 feet to a 5/8 inch iron bar on the left bank of the Boise River;

Thence along the left bank of the Boise River South 22° 06' 30" East 624.09 feet to a 5/8-inch iron bar;

Thence continuing along said left bank South 54° 12' 30" East 388.67 feet to a 5/8-inch iron bar on the East boundary of Government Lot 8 of said Section 17;

Thence on the East boundary of said Lot 8 South 0° 41' 30" West 510.00 feet to the East 1/16 corner common to Section 17 and Section 20, the REAL POINT OF BEGINNING.

Parcel No. 2:

A parcel of land, being a part of the North Half of the Northeast Quarter of Section 20, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

BEGINNING at the Northeast corner of said Section 20, marked by a Canyon County brass cap monument, said corner also being the REAL POINT OF BEGINNING;

Thence on the North boundary of said Section 20 South 89° 30' 00" West 1,326.13 feet to the East 1/16 corner common to Section 17 and Section 20, marked by a Canyon County brass cap monument;

Thence continuing on the North boundary of said Section 20 South 89° 30' 00" West 1,326.13 feet to the Quarter corner common to Section 17 and Section 20, being marked by a spike and a yellow plastic cap in the base of a Poplar tree marked 1/4; thence on the West boundary of the Northeast Quarter of said Section 20 South 0° 03' 00" West 165.00 feet to a 5/8-inch iron bar;

Thence South 82° 35' 30" East 2,188.19 feet to a 5/8-inch iron bar;

Thence South 38° 10' 30" East 788.34 feet to a 5/8-inch iron bar on the East boundary of said Section 20, from which the Quarter corner common to Section 20 and Section 21 bears South 0° 15' 20" East 1,548.92 feet, said Quarter corner being marked by a Canyon County brass cap monument;

Thence on the East boundary of said Section 20 North 0° 15' 20" West 1,090.00 feet to the Northeast corner of said Section 20, the REAL POINT OF BEGINNING.

Parcel No. 3:

The Northwest Quarter of the Northeast Quarter and the Northeast Quarter of the Northeast Quarter in Section 20, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho.

EXCEPTING THEREFROM

A parcel of land being a part of the North Half of the Northeast Quarter of Section 20, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

BEGINNING at the Northeast corner of said Section 20, marked by a Canyon County brass cap monument, said corner also being the REAL POINT OF BEGINNING;

Thence on the North boundary of said Section 20 South 89° 30' 00" West 1,326.13 feet to the East 1/16 corner common to Section 17 and Section 20, marked by a Canyon County brass cap monument;
Thence continuing on the North boundary of said Section 20 South 89° 30' 00" West 1,326.13 feet to the Quarter corner common to Section 17 and Section 20, being marked by a spike and a yellow plastic cap in the base of a Poplar tree marked 1/4; thence on the West boundary of the Northeast Quarter of said Section 20 South 0° 03' 00" West 165.00 feet to a 5/8-inch iron bar;
Thence South 82° 35' 30" East 2,188.19 feet to a 5/8-inch iron bar;
Thence South 38° 10' 30" East 788.34 feet to a 5/8-inch iron bar on the East boundary of said Section 20, from which the Quarter corner common to Section 20 and Section 21 bears South 0° 15' 20" East 1,548.92 feet, said Quarter corner being marked by a Canyon County brass cap monument;
Thence on the East boundary of said Section 20 North 0° 15' 20" West 1,090.00 feet to the Northeast corner of said Section 20, the REAL POINT OF BEGINNING.

Parcel No. 4:

Lot 3 in Section 21, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho.

Parcel No. 5:

This parcel is situated in Lot 2 of Section 21, Township 4 North, Range 3 West, Boise Meridian, Canyon County, Idaho, more particularly described as follows:

COMMENCING at the Southwest corner of said Lot 2 and bearing North 89° 32' 10" East 303.90 feet along the South boundary of Lot 2;

Thence North 0° 19' West 430.00 feet and parallel to the West boundary of Lot 2;

Thence South 89° 32' 10" West 303.90 feet to the West line of Lot 2;

Thence South 0° 19' 0" East 430.00 feet along the West boundary of Lot 2 to the POINT OF BEGINNING.

IDAHO DEPARTMENT OF LANDS

Canyon County Tax Collector

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
12/1/2021	Bill	2021155274	4,035.60	4,035.60		4,035.60
12/1/2021	Bill	2021155616	1,728.32	1,728.32		1,728.32
12/1/2021	Bill	2021155220	472.74	472.74		472.74
12/1/2021	Bill	2021155967	286.12	286.12		286.12
12/1/2021	Bill	2021155655	191.82	191.82		191.82
Check Amount						6,714.60

Washington Trust Ban

6,714.60

LMP1.00 M/P CHECK

IDAHO DEPARTMENT OF LANDS



CANYON COUNTY CONSOLIDATED PROPERTY TAX BILL

TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

2021
REGULAR ROLL

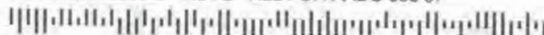
DUE DATE:
DECEMBER 20, 2021

Voter Approved Tracker
www.canyonco.org/treas



PIN: 35073000 0		BILL NUMBER: 2021155274	
Property Description: 21-4N-3W NW LT 3		Code Area: 126-00	
Property Address: 0 SIMPLOT BLVD CALDWELL			

14324 35073000 0 **AUTO**ALL FOR AADC 836 37



HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634-1445

Land Value	781,340
Improvement Value	192,500
Total Taxable	973,840
Prior Year Taxes	7,912.00

THIS IS A LISTING OF THE TOTAL AMOUNT YOU PAY EACH TAXING DISTRICT, INCLUDING BONDS, OVERRIDES AND CERTIFICATIONS IF APPLICABLE. CONTACT THE AGENCY LISTED BELOW WITH QUESTIONS REGARDING THE TAXING DISTRICT AND THE CHARGED AMOUNT.

Taxing District	Levy	Tax Amount By Taxing District
Ambulance	0.0001359430	132.39
Canyon County	0.0024698420	2,405.23
Caldwell Rural Fire	0.0013305220	1,295.72
Flood Control Dist #11	0.0003090390	300.95
Canyon Hwy #4	0.0009403930	915.80
Mosquito Abatement	0.0001324070	128.94
Post Control Dist	0.0000346580	33.75

IF YOU HAVE SOLD THIS PROPERTY OR A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING THIS TAX, PLEASE FORWARD THIS BILL IMMEDIATELY.

IF ANY PORTION OF THE TAX BECOMES DELINQUENT A 2% LATE CHARGE WILL BE APPLIED.
INTEREST ON THE DELINQUENT BALANCE WILL ACCRUE AT 1% PER MONTH, DATING FROM JANUARY 1ST.
WHEN PAYING DELINQUENT BALANCES, PLEASE CALL (208)454-7354 FOR THE CORRECT AMOUNT DUE INCLUDING LATE CHARGE AND INTEREST.

MONTHLY PAYMENTS ARE ACCEPTED
*****IMPORTANT*****



CANYON COUNTY CONSOLIDATED PROPERTY TAX BILL
TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

2021
REGULAR ROLL

DUE DATE:
DECEMBER 20, 2021

Voter Approved Tracker
www.canyonco.org/treas

PIN: 35076000 0 **BILL NUMBER:** 2021155616

Property Description: 21-4N-3W NW TX 49 IN LT 2
Code Area: 126-00

Property Address:
 0 RIVERSIDE RD CALDWELL

Land Value 206,910
 Improvement Value 212,300
 Total Taxable 419,210
 Prior Year Taxes 3,668.66

HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634

THIS IS A LISTING OF THE TOTAL AMOUNT YOU PAY EACH TAXING DISTRICT, INCLUDING BONDS, OVERRIDES AND CERTIFICATIONS IF APPLICABLE. CONTACT THE AGENCY LISTED BELOW WITH QUESTIONS REGARDING THE TAXING DISTRICT AND THE CHARGED AMOUNT.

Taxing District	Levy	Tax Amount By Taxing District
Ambulance	0.0001359430	56.99
Canyon County	0.0024698420	1,035.38
Caldwell Rural Fire	0.0013305220	557.77
Flood Control Dist #11	0.0003090390	129.55
Canyon Hwy #4	0.0009403930	394.23
Mosquito Abatement	0.0001324070	55.51
Pest Control Dist	0.0000346580	14.53

IF YOU HAVE SOLD THIS PROPERTY OR A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING THIS TAX, PLEASE FORWARD THIS BILL IMMEDIATELY.

IF ANY PORTION OF THE TAX BECOMES DELINQUENT A 2% LATE CHARGE WILL BE APPLIED. INTEREST ON THE DELINQUENT BALANCE WILL ACCRUE AT 1% PER MONTH, DATING FROM JANUARY 1ST. WHEN PAYING DELINQUENT BALANCES, PLEASE CALL (208)454-7354 FOR THE CORRECT AMOUNT DUE INCLUDING LATE CHARGE AND INTEREST.

MONTHLY PAYMENTS ARE ACCEPTED
*****IMPORTANT*****



CANYON COUNTY CONSOLIDATED PROPERTY TAX BILL
TRACIE LLOYD
 111 N, 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

REGULAR ROLL

DUE DATE:
DECEMBER 20, 2021

Voter Approved Tracker
www.canyonco.org/treas



PIN: 35020000 0 **BILL NUMBER:** 2021155220

Property Description: 20-4N-3W NE N 1/2 OF NE 1/4 LESS TAX 7
Code Area: 126-00

Property Address:
 0 SIMPLOT BLVD CALDWELL

Land Value 105,620
 Improvement Value 0
 Total Taxable 105,620
 Prior Year Taxes 1,129.22

HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634

THIS IS A LISTING OF THE TOTAL AMOUNT YOU PAY EACH TAXING DISTRICT, INCLUDING BONDS, OVERRIDES AND CERTIFICATIONS IF APPLICABLE. CONTACT THE AGENCY LISTED BELOW WITH QUESTIONS REGARDING THE TAXING DISTRICT AND THE CHARGED AMOUNT.

Taxing District	Levy	Tax Amount By Taxing District
Ambulance	0.0001359430	14.36
Canyon County	0.0024698420	260.85
Caldwell Rural Fire	0.0013305220	140.53
Flood Control Dist #11	0.0003090390	32.64
Canyon Hwy #4	0.0009403930	99.32
Mosquito Abatement	0.0001324070	13.98
Pest Control Dist	0.0000346580	3.66

IF YOU HAVE SOLD THIS PROPERTY OR A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING THIS TAX, PLEASE FORWARD THIS BILL IMMEDIATELY.

IF ANY PORTION OF THE TAX BECOMES DELINQUENT A 2% LATE CHARGE WILL BE APPLIED. INTEREST ON THE DELINQUENT BALANCE WILL ACCRUE AT 1% PER MONTH, DATING FROM JANUARY 1ST. WHEN PAYING DELINQUENT BALANCES, PLEASE CALL (208)454-7354 FOR THE CORRECT AMOUNT DUE INCLUDING LATE CHARGE AND INTEREST.

MONTHLY PAYMENTS ARE ACCEPTED

*****IMPORTANT*****



CANYON COUNTY CONSOLIDATED PROPERTY TAX BILL
TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

REGULAR ROLL

DUE DATE:
DECEMBER 20, 2021

Voter Approved Tracker
www.canyonco.org/treas

DEC21



PIN: 35021000 0 **BILL NUMBER:** 2021155967

Property Description: 20-4N-3W NE TAX 7 IN NE 1/4
Code Area: 126-00

Property Address:
 0 SIMPLOT BLVD CALDWELL

HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634

Land Value	65,390
Improvement Value	0
Total Taxable	65,390
Prior Year Taxes	685.08

THIS IS A LISTING OF THE TOTAL AMOUNT YOU PAY EACH TAXING DISTRICT, INCLUDING BONDS, OVERRIDES AND CERTIFICATIONS IF APPLICABLE. CONTACT THE AGENCY LISTED BELOW WITH QUESTIONS REGARDING THE TAXING DISTRICT AND THE CHARGED AMOUNT.

Taxing District	Levy	Tax Amount By Taxing District
Ambulance	0.0001359430	8.89
Canyon County	0.0024698420	161.50
Caldwell Rural Fire	0.0013305220	87.00
Flood Control Dist #11	0.0003090390	20.21
Canyon Hwy #4	0.0009403930	61.49
Mosquito Abatement	0.0001324070	8.66
Pest Control Dist	0.0000346580	2.27

IF YOU HAVE SOLD THIS PROPERTY OR A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING THIS TAX, PLEASE FORWARD THIS BILL IMMEDIATELY.

IF ANY PORTION OF THE TAX BECOMES DELINQUENT A 2% LATE CHARGE WILL BE APPLIED.

INTEREST ON THE DELINQUENT BALANCE WILL ACCRUE AT 1% PER MONTH, DATING FROM JANUARY 1ST.

WHEN PAYING DELINQUENT BALANCES, PLEASE CALL (208)454-7354 FOR THE CORRECT AMOUNT DUE INCLUDING LATE CHARGE AND INTEREST.

MONTHLY PAYMENTS ARE ACCEPTED

*****IMPORTANT*****



CANYON COUNTY CONSOLIDATED PROPERTY TAX BILL
TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

2021
REGULAR ROLL

DUE DATE:
DECEMBER 20, 2021

Voter Approved Tracker
www.canyonco.org/treas

DEC21



PIN: 34981000 0 **BILL NUMBER:** 2021155655

Property Description: 17-4N-3W SE TX 2 IN S 1/2 SE
Code Area: 126-00

Property Address:
 0 SIMPLOT BLVD CALDWELL

HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634

Land Value 41,080
 Improvement Value 0
 Total Taxable 41,080
 Prior Year Taxes 453.36

THIS IS A LISTING OF THE TOTAL AMOUNT YOU PAY EACH TAXING DISTRICT, INCLUDING BONDS, OVERRIDES AND CERTIFICATIONS IF APPLICABLE. CONTACT THE AGENCY LISTED BELOW WITH QUESTIONS REGARDING THE TAXING DISTRICT AND THE CHARGED AMOUNT.

Taxing District	Levy	Tax Amount By Taxing District
Ambulance	0.0001359430	5.58
Canyon County	0.0024698420	101.46
Caldwell Rural Fire	0.0013305220	54.66
Flood Control Dist #11	0.0003090390	12.70
Canyon Hwy #4	0.0009403930	38.63
Mosquito Abatement	0.0001324070	5.44
Pest Control Dist	0.0000346580	1.42

IF YOU HAVE SOLD THIS PROPERTY OR A MORTGAGE COMPANY IS RESPONSIBLE FOR PAYING THIS TAX, PLEASE FORWARD THIS BILL IMMEDIATELY.

IF ANY PORTION OF THE TAX BECOMES DELINQUENT A 2% LATE CHARGE WILL BE APPLIED. INTEREST ON THE DELINQUENT BALANCE WILL ACCRUE AT 1% PER MONTH, DATING FROM JANUARY 1ST. WHEN PAYING DELINQUENT BALANCES, PLEASE CALL (208)454-7354 FOR THE CORRECT AMOUNT DUE INCLUDING LATE CHARGE AND INTEREST.

MONTHLY PAYMENTS ARE ACCEPTED
*****IMPORTANT*****

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
5/17/2022	Bill	2021155274	4,035.60	4,035.60		4,035.60
5/17/2022	Bill	2021155616	1,728.32	1,728.32		1,728.32
5/17/2022	Bill	2021155220	472.74	472.74		472.74
5/17/2022	Bill	2021155967	286.12	286.12		286.12
5/17/2022	Bill	2021155655	191.82	191.82		191.82
Check Amount						6,714.60

Columbia State Bank

6,714.60

LMP100 M/P CHECK

IDAHO DEPARTMENT OF LANDS



CANYON COUNTY
TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

PROPERTY TAX REMINDER
CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2022

PIN: 35073000 0		BILL NUMBER: 202115527	
Property Description: 21-4N-3W NW LT 3		Code Area: 126-00	
Property Address: 0 SIMPLOT BLVD			

11390 35073000 0 **AUTO**ALL FOR AADC 836 31

JUN22



HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634-1445

Total Taxable 973,84

To Pay by Credit Card



Credit Card payments are accepted via the Internet at www.canyonco.org/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID ADDITIONAL LATE CHARGES. PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER



CANYON COUNTY
TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

PROPERTY TAX REMINDER
 CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2022

PIN: 35076000 0 BILL NUMBER: 2021155611

Property Description: 21-4N-3W NW TX 49 IN LT 2 Code Area: 126-00

Property Address:
 0 RIVERSIDE RD

Total Taxable 419,210

HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634

JUN22

To Pay by Credit Card



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IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER



TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

PROPERTY TAX REMINDER
CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2022

PIN: 35020000 0 BILL NUMBER: 2021155221
Property Description: 20-4N-3W NE N 1/2 OF NE 1/4 LESS TAX 7
Code Area: 126-00

Property Address:
0 SIMPLOT BLVD

Total Taxable 105,620

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

To Pay by Credit Card



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IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER



TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)464-7354

PROPERTY TAX REMINDER
CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2022

PIN: 35021000 0		BILL NUMBER: 202115596	
Property Description: 20-4N-3W NE TAX 7 IN NE 1/4		Code Area: 126-00	
Property Address: 0 SIMPLOT BLVD			

JUN22

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

Total Taxable 65,390

To Pay by Credit Card



Credit Card payments are accepted via the Internet at www.canyonco.org/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

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IDAHO DEPARTMENT OF
CANYON COUNTY PROPERTY TAX REMINDER



CANYON COUNTY
TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

PROPERTY TAX REMINDER
CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2022

PIN: 34981000 0 BILL NUMBER: 202115565

Property Description: 17-4N-3W SE TX 2 IN S 1/2 SE
Code Area: 126-00

Property Address:
0 SIMPLOT BLVD

Total Taxable 41,081

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

To Pay by Credit Card



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IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
5/22/2023	Bill	2022155357	4,429.53	4,429.53		4,429.53
5/22/2023	Bill	2022155480	1,581.31	1,581.31		1,581.31
5/22/2023	Bill	2022154831	293.85	293.85		293.85
5/22/2023	Bill	2022154982	175.74	175.74		175.74
5/22/2023	Bill	2022154417	122.92	122.92		122.92
Check Amount						6,603.35

Columbia State Bank

6,603.35

LMP100 M/P CHECK

IDAHO DEPARTMENT OF LANDS



TRACIE LLOYD
 111 N. 11th Ave., Ste. 240
 Caldwell, Idaho 83605
 (208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
 FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2023

PIN: 35073000 0		BILL NUMBER: 2022155357	
Property Description: 21-4N-3W NW LT 3		Code Area: 267-00	
Property Address: 0 SIMPLOT BLVD			



11531 35073000 0 **AUTO**ALL FOR AADC 836 31

JUN23



HALL AND SONS LLC
 10801 W HUBBARD RD
 KUNA ID 83634-1445

Total Taxable 1,817,580

To Pay by Credit Card
 1-208-718-5186



Credit Card payments are accepted via the Internet at www.canyoncounty.id.gov/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID ADDITIONAL LATE CHARGES. PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

IDAHO DEPARTMENT OF
CANYON COUNTY PROPERTY TAX REMINDER



TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2023

PIN: 35076000 0		BILL NUMBER: 2022155480	
Property Description: 21-4N-3W NW TX 49 IN LT 2		Code Area: 267-00	
Property Address: 506 ROEDEL AVE			

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

Total Taxable 651,700

To Pay by Credit Card

1-208-718-5186



Credit Card payments are accepted via the Internet at www.canyoncounty.id.gov/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

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IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER



CANYON COUNTY PROPERTY TAX REMINDER
TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2023

PIN: 35020000 0		BILL NUMBER: 2022154831	
Property Description: 20-4N-3W NE N 1/2 OF NE 1/4 LESS TAX 7		Code Area: 267-00	
Property Address: 0 SIMPLOT BLVD			

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

Total Taxable 105,620

To Pay by Credit Card
1-208-718-5186



Credit Card payments are accepted via the Internet at
www.canyoncounty.id.gov/treasurer or can be accepted in
person at the office. A nominal fee is charged by the
Processor for this service.

PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE
APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO
AVOID ADDITIONAL LATE CHARGES. PAYMENTS MUST
BE RECEIVED OR POSTMARKED BY THE DUE DATE.

IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER



TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2023

PIN: 35021000 0		BILL NUMBER: 2022154982	
Property Description: 20-4N-3W NE TAX 7 IN NE 1/4		Code Area: 267-00	
Property Address: 0 SIMPLOT BLVD			

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

Total Taxable 65,540

To Pay by Credit Card
1-208-718-5186



Credit Card payments are accepted via the Internet at www.canyoncounty.id.gov/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID ADDITIONAL LATE CHARGES. PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

IDAHO DEPARTMENT OF
CANYON COUNTY PROPERTY TAX REMINDER



TRACIE LLOYD
111 N. 11th Ave., Ste. 240
Caldwell, Idaho 83605
(208)454-7354

CANYON COUNTY TREASURER & TAX COLLECTOR
FOR TAXING DISTRICTS OF CANYON COUNTY

DUE DATE:
JUNE 20, 2023

PIN: 34981000 0		BILL NUMBER: 2022154417	
Property Description: 17-4N-3W SE TX 2 IN S 1/2 SE		Code Area: 267-00	
Property Address: 0 SIMPLOT BLVD			

JUN23

HALL AND SONS LLC
10801 W HUBBARD RD
KUNA ID 83634

Total Taxable

41,360

To Pay by Credit Card

1-208-718-5186



Credit Card payments are accepted via the Internet at www.canyoncounty.id.gov/treasurer or can be accepted in person at the office. A nominal fee is charged by the Processor for this service.

IDAHO DEPARTMENT OF

CANYON COUNTY PROPERTY TAX REMINDER

PAYMENTS RECEIVED WITH A DELINQUENCY WILL BE APPLIED TO THE OLDEST DELINQUENT TAX YEAR. TO AVOID ADDITIONAL LATE CHARGES. PAYMENTS MUST BE RECEIVED OR POSTMARKED BY THE DUE DATE.

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Consent Agenda

Subject

Mineral Lease Live Auction – April 24, 2024

Question Presented

Shall the Land Board direct the Department to award a mineral lease to the high bidder at the live auction?

Background

The Idaho Department of Lands (Department) received application for a new sand, gravel and basalt mineral lease located near Hazelton, Idaho, about 20 miles east of Twin Falls, in Jerome County (site maps included as Attachment 1). Pursuant to Idaho statute and Department procedure, the public auction was advertised and held to determine the high bidder for the lease. Auction participants, including the original applicant for the lease, were required to register for the live auction one week prior to the auction date. Department staff conducted the live auction.

Discussion

For the purposes of securing a single lessee for the mineral lease, a live auction was held on April 24, 2024, at the Department's Eastern Area Jerome office. Premier, LLC submitted the successful premium bid of \$170,000 for mineral lease E700062 (a 240-acre parcel). Two parties registered for the auction, the original applicant Premier, LLC and Western Construction, Inc. The lease includes a 10-year term for the extraction of sand, gravel and basalt, including annual rent of \$720.00 (\$3.00 per acre); a minimum annual royalty payment of \$2,500.00; and a royalty rate of \$1.10 per short ton. Attachment 2 summarizes the results of the live auction.

Idaho Code § 58-310(4) provides that the State Board of Land Commissioners (Land Board) has the right to reject any bid made at a live auction where fraud or collusion are present, or for any reason, all within the sole discretion of the Land Board. The Department completed the lease auction process in accordance with existing statute and procedures and did not observe any indication of fraud or collusion related to this process.

Recommendation

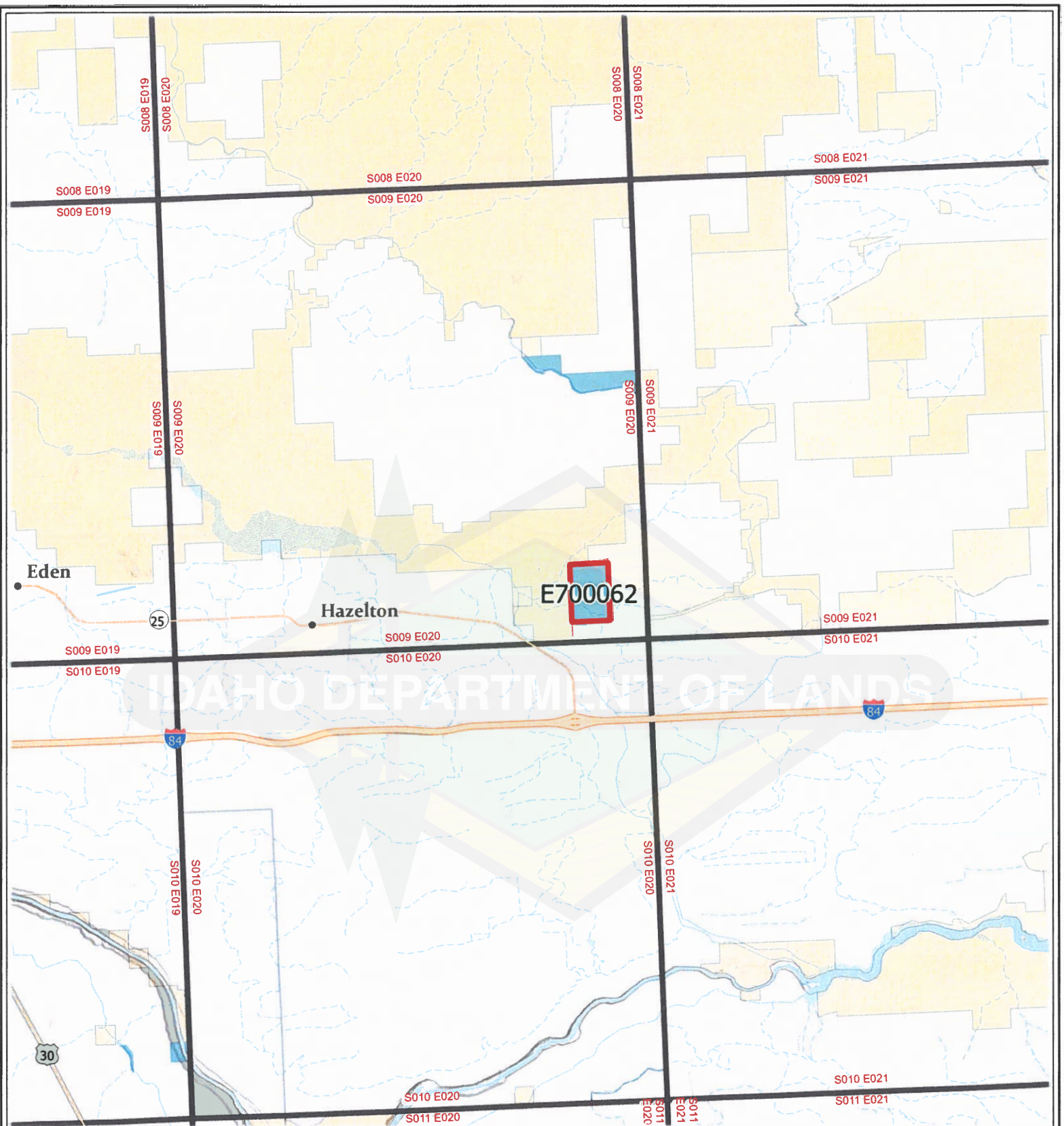
Direct the Department to award mineral lease E700062 to Premier, LLC, the high bidder at the auction.

Board Action

Attachments

1. Site Maps for Mineral Leases E700062
2. Summary of Auction Results for Mineral Lease E700062





Legend

- Subject Lease
- Township
- Bureau of Land Management
- Bureau of Reclamation
- State
- Private
- Interstate
- United States
- Idaho

E700062 - Vicinity
 T 09S & R 20E Sec 36
 Jerome County, Idaho
 1/18/2024

0

3.6
Miles

W

E

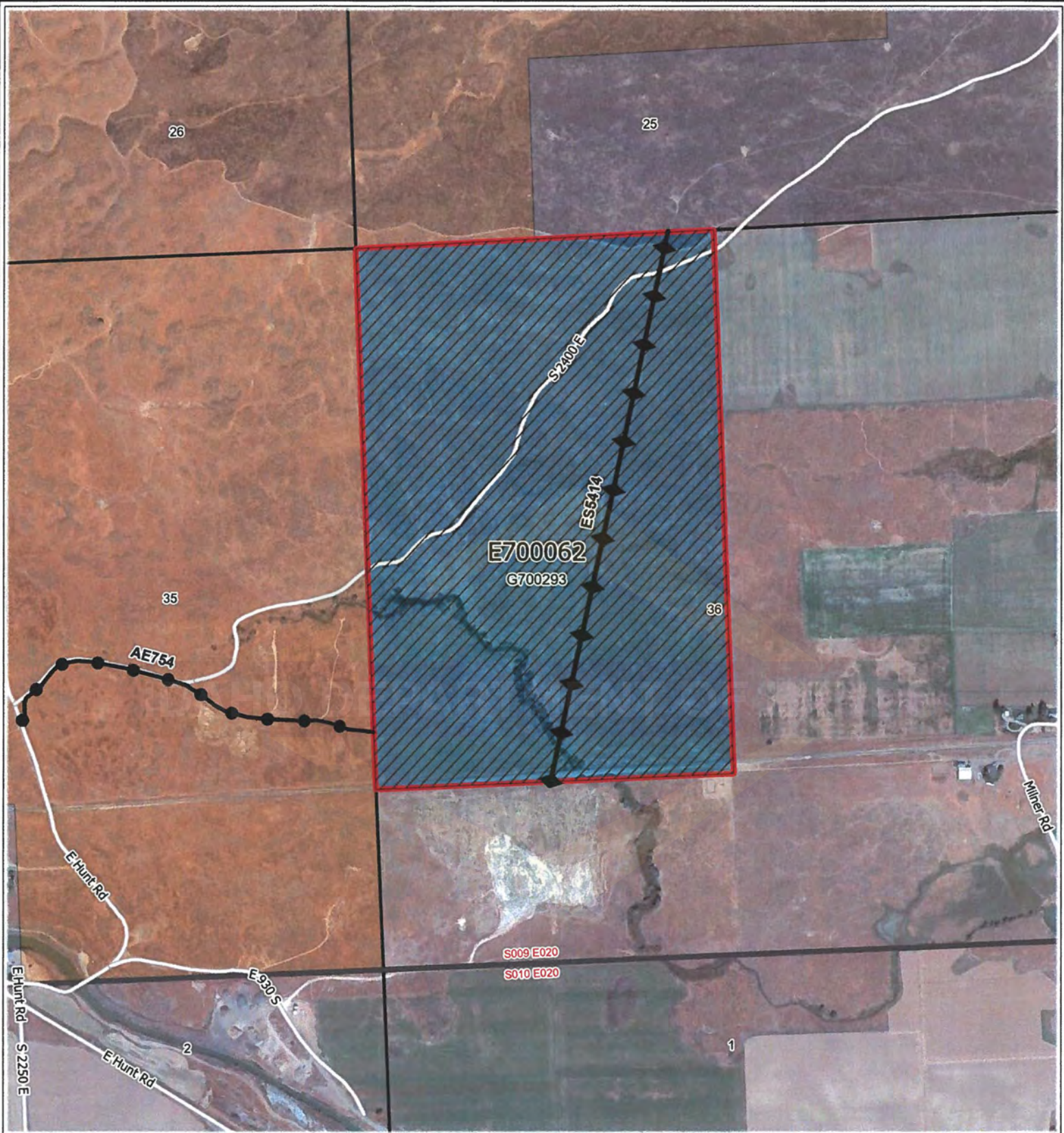
Map Notes

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



Subject Lease	State	<h3>E700062 - Detail</h3> <p>T 09S & R 20E Sec 36 Jerome County, Idaho</p> <p>1/18/2024</p>	<h4>Map Notes</h4> <p>Projection: Idaho Transverse Mercator, NAD 83</p> <p>Map Notes and Data Sources</p> <p>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.</p>
G700293	Private		
Township	Existing Roads		
Section	Acquired Easement		
Bureau of Land Management	Granted Easement		
Bureau of Reclamation			

Summary of April 24, 2024 Mineral Lease Live Auction

Supervisory Area	Lease Number	Endowment	Lease Term (Years)	Acres	Commodity	# of Participants	# of Bids	High Bid Amount	High Bidder
Eastern - Jerome	E700062	PS	10	240	Sand, Gravel, Basalt	2	23	\$170,000	Premier, LLC

Total: \$170,000





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

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

April 16, 2024

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, April 16, 2024 at the State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson Street, Boise, Idaho, and via webinar. The meeting began at 9:00 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

Honorable Superintendent of Public Instruction Debbie Critchfield

All members were present. Governor Little, Secretary of State McGrane, Attorney General Labrador, and Controller Woolf attended at the physical location. Superintendent Critchfield attended via Zoom webinar.

Governor Little informed Land Board members and all meeting attendees that due to technical difficulties, Zoom participants were not receiving video feed from the Auditorium. The audio feed was working correctly which Superintendent Critchfield confirmed. Live streaming via IPTV was an available alternative. Video feed for Zoom participants was restored at approximately 9:45 a.m.

For the record, Director Miller advised the Land Board that the Department received further feedback regarding the draft Alternative Energy Leasing Policy agenda item, and staff needs more time to review and revise the policy as appropriate. Director Miller recommended that this item be removed from this meeting's agenda. There were no objections from Land Board members and Governor Little so ordered. Director Miller also proposed that the Hailey Readiness Center Surplus Property agenda item be moved from the Consent section of the agenda to the Information section. The Land Board will hear the presentation but will take no action on it at today's meeting. With no objections from Land Board members, Governor Little so ordered.

[Editor's note: 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 – March 2024
- B. Leases and Permits – March 2024

Discussion: Secretary of State McGrane referred to the two graphs on page 3 of the Timber Sales report, noticed compression in stumpage prices, and asked if the Department will get to a point where it reassesses how much timber is harvested based on current market conditions, given inflation and increasing fuel costs. Director Miller indicated that David Greenwood would address the question more completely in his presentation of the FY25 Timber Sales Plan, but offered that labor, fuel costs, fully stocked log yards have influenced the downward pressure on stumpage prices as reflected on the graph which has influenced what purchasers are willing to pay.

Status Updates

- C. Legislative Summary–Final
- D. Land Bank Aging Report

Discussion: None.

Governor Little inquired about the Department's fire preparedness regarding staffing. Governor Little noted it may be a hot and long fire year on rangeland; with appropriations to the Department and what the federal government is doing, how is the Department for percentage of seasonal fire staff. Director Miller stated the Department has been recruiting, utilizing the resources that the Land Board and the Legislature approved to help with recruiting. The Department continues to modernize the fire program to continue keeping fires small and responding aggressively to fires. There are some changes on the landscape with the master fire agreement that was signed last year. The Department has one fire season under the new master agreement, is adapting to changes, and will continue to learn and work together on the ground with federal partners.

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

- A. Manager's Report
- B. Investment Report

Discussion: Mr. Anton reported that March was another strong month; the portfolio was up 2.6% in March and up 11.1% fiscal year-to-date. In December 2023, the Federal Reserve said inflation was getting close to target, labor markets were strong, there was optimism. In February and March, inflation started to flatten out and it kicked up a bit in March. The market stayed strong in March, with the slight rise attributed to an anomaly, but in April when the March inflation data came out the annual CPI inflation when compared to year-over-year was up 3.5% and the perception is that inflation is starting to heat up. Fuel prices are rising, shelter costs are remaining fairly high. The markets started to back off somewhat during the first two weeks of April and inflation rates ticked up. The yield on the 10-year treasury was about 4.2% and is now approaching 4.7% today. The Federal Reserve is not in any hurry now to cut rates; they will watch the data for a while and may not cut rates until September, or maybe not at all in 2024. Governor

Little asked when the REITs (Real Estate Investment Trusts) will report. Mr. Anton replied that the March data should come out in the next two weeks, and it will be included in next month's report. Governor Little inquired how Mr. Anton would forecast the data. Mr. Anton answered that EFIB met with both real estate managers who are saying it is at or near the bottom. Managers have taken almost all, if not all, the write-downs that they anticipate. The public REIT market reacts much more quickly than the private REIT market, which adjusts pricing quarterly. The public REIT market has started coming back up and now is at a point where the write-down in the public REIT market is at about the same point as the private market. EFIB is trying to make this call on its own because as the equity market has gone up and EFIB portfolio real estate prices have been written down, the portfolio is under target allocation for real estate. Mr. Anton said the decision about when to commit and bring that back to target allocation is a tough timing call, but it is likely in the next quarter or two.

Consent—Action Item(s)

- 3. Disclaimer of Interest Request DI600328—William and Betty Hubler, Boise River** – *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*

Recommendation: Direct the Department to issue a Disclaimer of Interest for two parcels totaling 9.288 acres of the former bed of the Boise River, to William F. and Betty M. Hubler following their payment to the Department of the remaining processing fee of \$300.

Discussion: Referring to the map labeled Attachment 1.2, Controller Woolf asked if the properties to the south and east where other hangars and building are shown have been disclaimed, or are they potential future disclaimers. Mr. Wilson responded that those properties are outside of the original meander line and do not have clouded titles. Governor Little wondered why there is a gap between the two parcels being disclaimed and the meander line to the north of them. Mr. Wilson explained the red parcels should bump all the way up to the northern blue meander line. There is a discrepancy that resulted from overlaying GIS parcel data from the county with GIS meander line data from the Department. Different sources, different projections, frequently do not line up precisely when portrayed on one map.

- 4. Disclaimer of Interest Request DI600329—Jeffrey and Heidi Theis, Boise River** – *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*

Recommendation: Direct the Department to issue a Disclaimer of Interest for one parcel totaling 1.645 acres of the former bed of the Boise River, to Jeffrey W. Theis and Heidi L. Theis following their payment to the Department of the remaining processing fee of \$300.

Discussion: None.

- 5. Disclaimer of Interest Request DI600330—Bruce and Becky Hubler, Boise River** – *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*

Recommendation: Direct the Department to issue a Disclaimer of Interest for two parcels totaling 0.033 acres of the former bed of the Boise River, to Bruce F. Hubler and Becky L. Hubler following their payment to the Department of the remaining processing fee of \$300.

Discussion: Governor Little remarked that the county must think the applicants own the parcels because they are paying property taxes; if the State owned the land, it would not pay property taxes. Mr. Wilson agreed and clarified the title is clouded until it is cleared through this disclaimer action.

6. Disclaimer of Interest Request DI600331–Holbrook Maslen, Boise River – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

Recommendation: Direct the Department to issue a Disclaimer of Interest for two parcels totaling 0.67 acres of the former bed of the Boise River, to Holbrook Maslen following his payment to the Department of the remaining processing fee of \$300.

Discussion: Mr. Wilson noted a typographical error on this memo. The total acreage is actually 0.67, not 0.067, just over half an acre.

7. Disclaimer of Interest Request DI600332–John K. Olsen, Boise River – Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance

Recommendation: Direct the Department to issue a Disclaimer of Interest for one parcel totaling 0.183 acres of the former bed of the Boise River, to John K. Olsen following his payment to the Department of the remaining processing fee of \$300.

Discussion: None.

8. Approval of Draft Minutes – March 19, 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 5-0.

Regular—Action Item(s)

9. FY2025 Timber Sales Plan – Presented by David Greenwood, Bureau Chief-Forest Management

Recommendation: Direct the Department to proceed with implementation of the FY25 Timber Sales Plan.

Discussion:

Secretary of State McGrane: When you say mortality issues, is the age of the timber predominantly what you are referring to?

Mr. Greenwood: Yes, the age of the timber is pretty much uniform. The specific mortality in Eastern Idaho, the Cottonwood block, is due to timber susceptibility from Douglas-fir bark beetle.

Controller Woolf: We had four sales that did not sell this past month. Looking again at wildfires, infestation, bug infestation, disease, and ramifications such as how close we are to mills, the log yards are full. How do we philosophically put that all together and justify increasing from 328 MMBF last year up to 334 MMBF this year.

Mr. Greenwood: To take a step back, I looked up the four sales that did not sell. There were two sales, Retired Sawing Cedar and Smith Sandwich Cedar, offered a second time; they will go for a third auction. We set a minimum price on our sales depending on the previous quarter prices we are getting for certain species; we are already bumping that, and with fuel prices, hauling distance, and difficult line skidding, it is having an effect on those prices. Everything except cedar on those sales is pretty marginal product to move that far to the mill when you are hauling 6-8 hours to a processing plant. That is having an impact on those certain sales. As far as being strategic, there are macroeconomic factors that people are projecting over this next year. In the forest industry, a lot of people are not predicting a sharp decrease in interest rates, they are actually showing maybe a slight bump in interest rates due to that inflation, which then affects housing starts. The lumber demand is supposed to go down by two percent with fewer new buildings. We have an election in November, there is some concern of what plays out, and then the trade relations in China. As far as this plan goes, offering 334 million board feet, the important thing to remember is when we appraise these sales for auction, we have to be comfortable with the price we are getting, and that includes looking at the logging, looking at the hauling, but also what costs we have as a Department, always with net revenue in mind. Last year there were about 15-20 million board feet that never sold. We might offer 334 million board feet next year and there may be some of that volume that never gets purchased.

Secretary of State McGrane: We have seen an uptick in the no bids, and I think that ties in with some of those economic pressures that the bidders are experiencing, and you mentioned the forecast, the potential dip in demand regarding timber. If there is a dip on that sense, and especially if fuel prices continue to rise, we are going to continue to see more no bids depending on how we price these bids. That ultimately creates some incentive for us to assess how much we should be harvesting. If the demand is not there, should we also be looking at what we are going to supply the market with, trying to balance this, or are we just going to end up slowly cutting our prices to align with demand. At what point do we make the determination not to sell timber as opposed to continuing to lower the price. On the other side, we do have some timber that is overgrowth, and we need to harvest because if we sit on it, is it going to depreciate just by growing because the mills cannot take it. In this plan are we targeting some of that more aged forest trying to clear that out because that is making it complicated for us to respond to these market forces?

Mr. Greenwood: It is multi-faceted question there. When you look at the Department, how we sell timber, we offer a steady supply and industry likes that. Our sales are 3-5 years, with some speculation; the market could be down now, and they are projecting to harvest in three years. The State is harvesting over 30% of the statewide harvest, so you start dipping that down and then is there a scenario like in 2008-2009 with the great recession where people did cut off their harvest and then mills were closing. Keeping that supply available to those purchasers so we are not reducing the number of purchasers is a good thing.

Secretary of State McGrane: I know you are correct that industry appreciates the steady flow, but we have seen mill closures recently, so we are in a situation where we are already seeing some of these mill closures, which I think reflects the pressures that are on some of the mills to compete because of all the other economic forces.

Mr. Greenwood: It is a delicate balance of that. Something to be cognizant as we move forward, we are harvesting the older timber that is still growing. We want to target growth of 300-400 board foot per acre per year. On some of those older stands, we have negative numbers because we are experiencing mortality, or we have less than 80. If we start increasing that growth then that is going to help us long term, too. When we see downturns in the market, a lot of private industry and private landowners will pull back, so there will be some reduction of what supply is available for the mills from those private parties as well.

Secretary of State McGrane: I support, to the extent we have timber that needs to be harvested for the long-term benefit, I think that makes sense to do so.

Mr. Greenwood: Another facet of it is when lumber prices were super high and we saw that peak in fuel, the mills could absorb that 50% increase in fuel or labor. Now lumber is down quite a bit, their margins are tight, and they are having to pull back and reassess what they have going on with that, too.

Governor Little: What are we producing in Idaho, pulp, poles, ton lumber, cedar, all of it. Secretary McGrane talked about some of the mills closing down, some of the other mills are becoming more efficient and putting out more. What is the net, net of timber production in Idaho?

Mr. Greenwood: The timber production produced to the mills is over 1 billion board feet.

Governor Little: The last I looked, it has been steady, we are still producing the same amount that we did before, but we have some of the smaller mills that just are not as efficient as the bigger mills, and fortunately most of our mills are in Idaho, the eastern end of the state some of the timber goes out of there. If we do not keep those head rigs full then they do not have the loggers then we do not have the mills then we cannot do our GNA sales, we cannot do our forest health, private property cannot do anything. This Board and previous boards have made the decision, we want to keep the timber industry healthy, not only for our fiduciary responsibility as trustees but for the whole entire industry. This timber plan basically reflects consistency, the plan that we last implemented.

Secretary of State McGrane: Governor, I recognize all the factors you just said, we need to keep the mills supplied and keep them going. Some of this increase in no bids, how is that impacting us in terms of our receipts related to stumpage. Ultimately, we are going to be impacted with that philosophy.

Governor Little: When the timber prices went way up, we did not make obscene profits. When they come down, we are still going but we have to keep those mills going or we cannot do forest health projects. You have to keep the industry profitable and alive and send the message to loggers to keep their equipment and continue to...but we are still writing a pretty good check to Superintendent Critchfield, basically as a result of what we are doing.

Mr. Greenwood: Just to get back to that also, stumpage owners did not see that big increase; we are a stumpage owner. If we keep selling it is like dollar cost averaging where some were selling at high markets two years ago, now we have a low. That dollar cost averaging year by year, and coming up with how much we have under contract, I think was \$282/MBF of 500 million board feet. That sets us up pretty well for revenue, near-term, long-term.

Governor Little: The one comment we got from Alta Forest, what is the delivered products program?

Mr. Greenwood: The delivered products program is also called sort sales, that is where we hire the logger, IDL does, and then we sell a sort. The first delivered product sale was Purdue Delivered Products, it was sold last October, and that was in the FY24 sales plan. We hired a logger to do the work and then for that sale we sold the Douglas fir and larch to a purchaser, grand fir, cedar, all separate so the purchasers did not have to buy the whole sale, they could buy what they specifically wanted.

Governor Little: And this in particular helps the smaller producer so they do not have to have fir, pine, cedar, all those other product lines.

Mr. Greenwood: It actually benefits a majority of our purchasers because most mills are specialized in what they are milling now. There are only a few that mill every species, so it is really advantageous to sell a sort; I am sure you will be hearing more about this in the future. Our first one was very successful, they should be hauling again quickly.

Controller Woolf: I had one more question on the cedar poles. You mentioned there was going to be 23,000. Is that the right number? That 20,000 number, was that more of a policy or Board decision a long time ago; is that still the right number?

Mr. Greenwood: The 20,000 poles was a Board decision back in 1986. As far as the minimum number 20,000 is okay, but our harvest level has increased 75% since 1986, so staying close to that 20,000 poles is not really reasonable. We will probably see more 30,000 plus in the coming years. Where our harvest has increased the most is in areas with cedar poles and cedar as a product. I expect in future years we will actually see more than that.

Governor Little: You do not need to do it now, but can you get us a map of where all these sales are, whether it is a PDF or whatever it is so we can see where the sales are.

Mr. Greenwood: Yes, we can send you the timber sale website link and then you can scroll kind of like on Google Earth and see where they are at.

Board Action: A motion was made by Controller Woolf that the Land Board direct the Department to proceed with implementation of the FY25 Timber Sales Plan. Attorney General Labrador seconded the motion. The motion carried on a vote of 5-0.

10. Approval of Timber Sales with Clearcut Harvest Units—Chunker and Paddy Pond Ton – Presented by David Greenwood, Bureau Chief-Forest Management

Recommendation: Approve the Chunker and Paddy Pond Timber Sales.

Discussion: Secretary of State McGrane asked if the gap between units 1 and 2 on Paddy Pond is because the Department is not harvesting or is it other ownership. Mr. Greenwood replied it is endowment ownership; it has been previously harvested.

Board Action: A motion was made by Controller Woolf that the Land Board approve the Chunker and Paddy Pond Timber Sales. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

Information

11. Hailey Readiness Center Surplus Property (Idaho Military Division) – Presented by Zane Lathim, Section Manager-Real Estate

Discussion:

Major Williams: Good morning, Governor, Land Board members. Just three points that I wanted to talk about this morning, to give you a little background on this. On this first readiness center that we asked IDL to manage for us as far as getting rid of that land off of the Military Division's support plan, first off, we support all laws of the State of Idaho. We understand this one may have some conflict there with state statute or Idaho Code 46-723 and 726. I think pushing this 30 days is a great opportunity for us to get the facts straight on this one. This will set the precedence for 13 readiness centers in the future as we move to our directive to downsize our readiness center locations and modernize our facilities to meet our nation's threats. Directed by Congress as you know, Governor. In this case it is important to get it right; this will set the precedence for all of the other readiness centers. With that said, we are all stewards of our taxpayers' dollars and so we have been asked, whether it is the federal taxes that we oversee on the military side, whether it is the state taxes, or the local taxes, that we all do our part to make sure we recoup those funds we put into it. This current facility is 9,000 square feet. In Idaho right now we are building the Jerome County readiness center, that is about 50,000 square feet, and that is \$36 million to build that from ground. It is very expensive, does not matter whether the federal pays with those taxes or the state contributes to that, these dollars if we can recoup it will go to future lands.

Governor Little: Major, how many other ones are jointly owned?

Major Williams: I can give you a roll up of that at a later time, to be precise, but almost all of our sites are jointly owned.

Governor Little: What was the last one of these that we did here?

Major Williams: Bonners Ferry, 10 or 12 years ago, was the last one we did, sir.

Governor Little: In that particular instance, the process was the same, it was identified by the Guard as surplus, it came to the Land Board, we offered it to the state agencies, then the local agencies. What happened to that one, can you remember what happened to that?

Controller Woolf: I believe Bonner County wanted that or purchased that at auction.

Major Williams: That is correct, Governor.

Mr. Lathim: Thank you, Major Williams, with that we would like to welcome Mayor Burke and her team.

Mayor Martha Burke: Thank you, Zane. Good morning, Governor, Commissioners, thank you for having us. I would like to introduce Lisa Horowitz, who is our City Administrator, and our Police Chief Steve England who has been occupying the building since it became vacant from the Military's use. We have taxpayers' dollars invested here as well. We have a longstanding partnership, and Lisa will share with you the reversionary clause that I have been assuming for the last 20 years would come into effect should this building ever be vacated. We are a small

town; we are the working town in the valley, and this means a lot to our community. Lisa will give you some detailed information that we would like to share with you, then I know Steve has thoughts as to how we can work through this.

Lisa Horowitz: Thank you, Governor, thank you Land Board, it really is a great pleasure to be here and to see you all in action. We are all proud members of the state of Idaho, and it is great to come over to Boise and see how things work. As the Mayor stated, we are a small town of 9,300 people, our general fund budget is \$9 million, we have about a third of the budget of the size of the City of Ketchum for example. We do have a great longstanding partnership over the creation of this building and the occupancy of this building, starting in 1955, and we have given Zane documents of that first levy rate that was appropriated of \$700, set aside for the construction of this building, which was then an agreement with the Military Division in '74, construction in '75 or '76, and then in 2016 when they first offered it up we were very pleased to move our police department in there. Our entire police force is in the buildings. It is an excellent building for us, located on a park next to a school and right by our fire station, so we very much hope to stay. Previously our police department had been crammed in our city hall in a place that was very difficult for conducting their investigations. We are looking forward to the next steps in moving forward. Our taxpayers were greatly honored by the return of tax money last year, in the Governor's return of tax funds, we hope not to have to go out to them again to purchase this building. We have looked at what it would cost the average homeowner in Hailey if we had to purchase the building with a 2-year temporary levy for \$937,000 and it would be \$220 per home over the 2-year period. We hope not to have to ask our taxpayers for that. Thank you.

Chief of Police Steve England: Thank you, Governor. The only thing I would like to add to this is that obviously it has been very convenient for us to be in there since 2016 and we are hoping to come to a reasonable conclusion on the armory. We have made some improvements to it here and there, through authorization of the armory and the National Guard, and it is a convenient place. We just got re-accredited through ICOPA, the Idaho Chiefs of Police Association, and before being in the armory, the last time, because of Covid in 2020, the last time we did reaccreditation was in 2016, so there was quite a gap there because of Covid. The same auditor, David Moore, retired Blackfoot Police Chief, was very pleased with the area we are in now. We used to be in city hall, was very crammed. It is a great facility for us to be in, and we are just hoping we can make some type of a compromise as our city administrator Lisa Horowitz said, and not have to go to the taxpayers, and make a reasonable effort with you all to conclude we can just pay for the half that we are looking to outright buy because of the facility we are in now. It does house 16 full-time employees, all of our equipment, that is where the police department works out of and, again, it did help immensely with our accreditation last time. We got glowing letters to the council and to the mayor of the facility and the changes that had occurred from 2016 to the accreditation in October of 2023. Thank you very much for your time and for your consideration.

Mayor Burke: I moved to Hailey in '72 from Ketchum and have been part of the Hailey community since then and I remember this building being built, the celebration – my husband was in the National Guard Reserves, so he actually spent some time on the weekends there – but I just want to call your attention again to Idaho Code section 46-726 which is the reversion of armory to specified government units when not required for National Guard, provides any jointly owned armory constructed under the provision of this act and not required for the administration and training of the National Guard, shall revert to the control of the participating

city or village, city or village and county, subject to the provisions of the National Defense Facilities Act 1950. As mayor of a small community, when I recognized the fact that this was in place and this building was going to be declared surplus property, it seemed like an automatic, this is so grand, and now, because it has taken quite a while to work through this process that you have in place, I am just hoping that we can afford it without going to the taxpayers. We want to be able to keep it as it is being used right now. I appreciate the fact that you do not give buildings away, you do not give land away, and I do not think we are asking for that, but I think any help you can see fit to let us work with you, very, very grateful. It is pretty cool being here.

Governor Little: So, Madam Mayor, who pays for maintenance of the park?

Mayor Burke: The City of Hailey.

Governor Little: You pay a lease on the building, and you pay a lease on the park, or is that lease for both parcels. Is the \$3,700 a year, is that for both the park and the building?

Unknown Speaker: That \$3,700 just covers basically sewer, water, electric bills.

Governor Little: You just get reimbursed for your actual costs, that is the \$3,700.

[Unintelligible response.]

Governor Little: Is that your understanding, Madam Mayor?

Mayor Burke: Yes, it is. It is a great bargain. And if you decide not to sell it, just let me know and we will continue this way. Thank you for hearing us.

Governor Little: I want the rest of the Board to weigh in, but I think we have a difference of interpretation. Until I got this last night, 46-726, I had not even seen that section of code because we have done this before. Because of the policy of the National Guard and the Idaho National Guard, we are consolidating a lot of our facilities so this might be the canary in the coal mine, and that is why I was pleased that we are going to look at this and figure out what we need to do going forward.

Mayor Burke: I understand precedence setting. It is a heavy burden; we do not want to carry it. Thank you again.

Attorney General Labrador: Madam Mayor, thank you for being here and thank you for your presentation. Obviously, we have a difference of opinion on the interpretation of the statutes, so I am going to set that aside. If we decide that we can come together with you on the interpretation of statute, or that we disagree but you want to keep the parcel, what is in your opinion a reasonable solution, because our mandate as the Land Board is to ensure that we keep all of the taxpayers in Idaho, all of the citizens of Idaho, whole, so what would be your solution?

Mayor Burke: As I understand, it would be open for bidders going forward. I think after that process, depending on who comes forward, I would like to suggest another appraisal. There are certain restrictions because this building sits at the north end of our airport and we are part of the runway protection zone and the airport overlay, so that parcel in particular, we cannot even put any buildings in our park. We have a temporary restroom, because if a plane overruns the runway, it ends up there. The restrictions on this property are very real, and because we own half of it, the market seems to be somewhat, I would think, less appealing to a lot of people. We

cannot turn it into apartments; FAA regulations dictate what can happen on that parcel. It seems to me the market, while it is in the valley and therefore expensive, because of its restrictions, is not a great investment property for someone to come in and want to develop it as a complex PUD whatever. Yes, it has value because it is in the valley, but because of its restrictions, and this reversionary clause, it is cloudy. I would like to think that after you have gone through the process that you use, that we could come back in and sit down again, and say with these considerations, do you feel that the appraisal is as accurate as it would be if this were five blocks north; I do not think it would be the same.

Secretary of State McGrane: Mayor, thank you for being here. A couple of clarifying questions. The parcel that we are talking about is the parcel that has the police station, not the park, right. What you were just mentioning, the restrictions you mentioned, are on the parcel with the park. I would assume that police officers are just as vulnerable to airplanes as any other people. Not to make light of it, but obviously that is significant in this. Clearly there are some legal questions as the Attorney General outlined that need to be worked through. I think from IDL's standpoint and the Board, it is in the interest to everyone to transfer title to the city, the question is the process and the amount. There is the struggle.

Mayor Burke: Agreed.

Secretary of State McGrane: I think this legal review has major implications to that. If we end up where it is a sale, whether it is a reappraisal, but let us say it is appraised at the same amount, is the City interested in acquiring that, and if so, one of the things having been a formal local official myself, I am very mindful of timing. You need the ability to pay for it, and with the November election coming up, that seems significant to me as a timing questions in terms of us trying to work through here in the summer months, answer some of these legal questions. If you are going to need to put forth a levy or a bond, you need lead time to be able to have the funds, unless you have a fund balance that is available, but I would be surprised at that size of fund balance for a city of your size.

Ms. Horowitz: We do not have \$936,000; we would need to go to the voters and if we are going in November, I believe by July is when we would have to have ballot language ready. We welcome the opportunity if you have a state agency that wants to co-locate and co-own with us over that particular process, we welcome that process, and then at the end of that process if we are able to negotiate directly with you as the mayor said, our city attorney has a lot of questions about the appraisal and we have great respect for Kyle Kunz, he is a local appraiser, we have worked with him a lot, but in our opinion, anything that happens on that property is subject to us saying yes also. It seems very unlikely that anything other than a public use will ever happen there and that the value is actually quite a bit lower than \$1.8 million.

Secretary of State McGrane: A couple of clarifying things, and Mr. Lathim can touch on this, the city has an opportunity prior to it going to the private market. The Governor outlined the process: state agencies then local; you have a first opportunity, so you are not competing with the private market, that is important in terms of that process. Also, just because I know a thing or two about elections, you have basically until the beginning of September to determine your bond or levy language if you were going to put it on the ballot. I think for us it is just trying to give everyone the working time, but we can postpone to make it possible for you to get that question out to voters. Having spoken to the Military Division, they are motivated to surplus this. We kind

of having competing interests here, military wants to get rid of this, city wants to acquire it, but trying to figure out how we bridge that. We are interested in trying to do that, obviously we will work through the legal questions. I do think it may come down to a cost component in the end. I am just trying to play this out with everyone because I know a lot of people are interested in this. We are all on the same page, it is just how painful is it going to be getting there.

Ms. Horowitz: My personal feeling is I am not seeing the need for a delay. Once IDL starts the process and we go through the state agencies, then is our opportunity as a local agency. Is that correct, Zane? Until we reach that point, I was thinking you would go through the process with the state agencies and then we would still have time for the ballot as you outlined in September.

Governor Little: Thank you. Was the appraisal done by Lands or was it done by the Military Division?

Mr. Lathim: It was done by the Military.

Governor Little: When you order an appraisal there are always conditions. Obviously joint ownership has a discount, because if I own a house with Dustin, he and I may not agree on it and there is a natural discount in the value when it is joint ownership. We are going to delay this; we are not acting on it today. The question is, were there things that were left out of the directions to the appraisal: the airspace, the parks, the roads, the zoning, I think we ought to review. But before we do any of that, we have to assess what our role is here. We may not have any role at all, we may be totally perfunctory. If somebody identifies a surplus piece of property, we have to act on it within the code, but we have conflicting code sections here. Those are the things – timing as the Secretary of State mentioned, what is our role probably the most important one, the appraisal, and then we will have to talk to the Military Division about that, and then I have a question about is the Adjutant General going to be in charge of the Idaho National Guard and a park in Hailey into perpetuity. Anything else?

Mr. Lathim: I just wanted to point out one final thing, Governor, and that is that statute does allow for a negotiated sale to another tax supported agency for adequate and valuable consideration.

Governor Little: I am aware of that, but we need to be cognizant of who has that authority; is it the Department, is it the Board, is it the Military Division, who has that authority to be the negotiator. I will speak for myself, the rest of the Land Board can speak for themselves, I do not know that I want to negotiate every one of these all over the state. It does not seem like it is quite in my wheelhouse.

12. Idaho Outdoor Recreation Fund Advisory Council Projects – Presented by Dustin Miller, Director

Discussion: Controller Woolf inquired if the \$5 million appropriated to Parks is one-time funding. Governor Little said it is one-time. Secretary of State McGrane asked if these projects and these improvements that are proposed will lead to leases or revenue generation, directly or indirectly. Director Miller answered that the focus for the Department is ensuring revenue stream for the endowments if the Department does enter into these legal agreements to lease this ground for recreational purposes. Controller Woolf asked what those revenue streams might be. Director Miller replied that there is still work to be done, legal arrangements with the Parks and Recreation, and then the Department will determine what the endowments need to ensure they

remain whole. Governor Little remarked he asked for this item on the agenda because the money was appropriated by the legislature, the committee made recommendations, but it is going to have an impact on what the Land Board does going forward and members needed a heads up. This is one-time money; there will be people clamoring next year for more money and extensions and things are going to cost more. Great intentions, see what happens.

Executive Session

None

There being no further business before the Land Board, at 10:23 a.m. a motion to adjourn was made by Controller Woolf. Governor Little seconded the motion. The motion carried on a vote of 5-0.



IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Regular Agenda

Subject

Commercial Real Estate Advisor

Question Presented

Shall the Land Board approve the recommended commercial real estate advisor?

Background

The role of commercial real estate advisor was established in 2015 consistent with the direction provided by the Asset Allocation and Governance Review from Callan, adopted by the State Board of Land Commissioners (Land Board) in 2014. The recommendations from Callan included obtaining expert professional guidance for the Land Board regarding management and disposal of commercial real estate assets.

The commercial real estate advisor has assisted the Land Board and the Idaho Department of Lands (Department) with analysis and review of commercial and transitional real estate assets, leasing opportunities, property valuation, land exchange opportunities, and more. Third party expert review of these complex issues adds to the expertise of the Land Board and the Department, helping ensure that decisions reflect the best interest of the endowment beneficiaries. The Department remains in need of this type of expertise.

At its October 17, 2023 meeting, the Land Board authorized the Department and the Investment Subcommittee to develop and issue a Request for Proposal (RFP) for a commercial real estate advisor, review the responses, interview candidate firms, and make a recommendation to the Land Board.

Discussion

An RFP was issued with responses due on February 29, 2024. The scope of work was as follows:

1. Develop, provide, and/or review financial data and analysis, determinations of property value, land use information, potential highest and best use evaluations, and consistency with Land Board policies and land management objectives as the preceding items pertain to proposed land acquisitions, dispositions, exchanges, leases and lease terms, permits, and other revenue-generating opportunities.
2. Develop, provide, and/or review Requests for Proposals (RFP) and responses received related to potential leases, permits, and revenue-generating opportunities on

endowment land, and provide analysis of responses to the same. May be requested to participate in the award decision making process.

3. Provide third party real estate expertise to the Land Board/Department to help ensure that decisions are consistent with the Land Board's fiduciary duty and prudent investor requirements.
4. Develop and present information pertaining to real estate issues for the Land Board, verbally and in writing, when requested.
5. Other tasks related to real estate analysis, planning, and transactions to assist the Land Board/Department as needed.

Two firms submitted responses to the RFP:

1. Heartland LLC (Seattle, WA)
2. Canyon Data, Inc (Eagle, ID)

The Department conducted an initial review of the responses. The Land Board's Investment Subcommittee then reviewed the responses and met with each firm on April 22, 2024. Each firm made a brief presentation followed by questions from the Investment Subcommittee and Department staff. After consideration, the Investment Subcommittee voted to recommend Heartland LLC as the Land Board's Commercial Real Estate Advisor.

If approved, the Department would negotiate and issue a contract substantively similar to the attached draft contract (Attachment 1).

Recommendation

Authorize the Department to contract with Heartland LLC to serve as the Land Board's Commercial Real Estate Advisor.

Board Action

Attachments

1. Draft Commercial Real Estate Advisor contract

ATTACHMENT 1

COMMERCIAL REAL ESTATE ADVISOR AGREEMENT

This Real Estate Advisor Agreement (hereinafter "Agreement") is made by and between _____, a _____, whose address is _____ (hereinafter "Advisor"), and the State of Idaho Board of Land Commissioners (hereinafter the "Land Board").

WHEREAS, the Land Board has the direction, control and disposition of the public lands and endowment lands of the state, under such regulations as may be prescribed by law, pursuant to Idaho Constitution Art. IX, §§ 7 & 8;

WHEREAS, the Land Board has identified the need for third-party expertise related to certain matters pertaining to real estate acquisition, disposition, leasing, valuation, and analysis;

WHEREAS, the Land Board conducted a search through a competitive process for a commercial real estate investment advisor with sufficient experience and qualifications to assist the Land Board with matters pertaining to real estate;

WHEREAS, Advisor submitted a proposal to provide the Land Board with the requested third-party expertise; and

WHEREAS, the Land Board selected Advisor to provide the requested third-party expertise as set forth in the Scope of Services herein.

NOW THEREFORE, in consideration of the following representations, warranties, terms, conditions and covenants, the parties agree as follows:

1. Incorporation. The above recitals are intended to be contractual in nature and not mere recitals.

2. Term of Agreement. This Agreement shall commence on the date of execution by both parties and shall continue thereafter until terminated as provided for herein.

3. Compensation.

3.1. In consideration of Advisor's services hereunder, the Land Board shall pay Advisor compensation for its services in accordance with Exhibit A attached hereto, and incorporated by reference.

3.2 Advisor shall pay all applicable taxes assessed on the compensation received under this Agreement and shall identify and pay those taxes under Advisor's federal and state identification number(s).

3.3 Advisor shall submit invoices to:

Board of Land Commissioners

c/o Bill Haagenson, Deputy Director

4. Scope of Services.

4.1 Develop, provide, and/or review financial data and analysis, determinations of property value, land use information, potential highest and best use evaluations, and consistency with Land Board policies and land management objectives as the preceding items pertain to proposed land acquisitions, dispositions, exchanges, leases and lease terms, permits, and other revenue-generating opportunities.

4.2 Develop, provide, and/or review Requests for Proposals (RFP) and responses received related to potential leases, permits, and revenue-generating opportunities on endowment land, and provide analysis of responses to the same. May be requested to participate in the award decision-making process.

4.3 Provide third-party real estate expertise to the Land Board/Department to help ensure that decisions are consistent with their fiduciary duty as Trustee of the Constitutional Trust (Id. Const. Art. IX, § 8), and in accordance with prudent investor rule (Chapter 5, Title 68, Idaho Code).

4.4 Develop and present information pertaining to real estate issues for the Land Board, verbally and in writing, when requested.

4.5 Other tasks related to real estate analysis, planning, and transactions to assist the Land Board/Department as needed.

5. Advisor's Qualifications and Standard of Care.

5.1 If Advisor is a registered adviser under the Investment Advisers Act of 1940, as amended, then during the term of this Agreement it shall be continually so registered.

5.2 In performing its obligations, Advisor shall comply fully with all applicable federal and state laws, rules and regulations, and shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims, including but not limited to compliance with the Idaho Uniform Prudent Investor Act, Chapter 5, Title 68 of the Idaho Code.

6. Representations and Warranties of Advisor. Advisor represents and warrants that:

6.1. Advisor is an "investment adviser" as defined in the Investment Advisers Act of 1940, as amended, and that it is registered with the Securities and Exchange Commission as an investment adviser.

6.2. Advisor has completed, obtained, and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority

for acts contemplated by this Agreement, and that it shall comply with all existing, new or amended laws that apply to its performance under this Agreement.

6.3. Except as disclosed to the Land Board in writing, neither Advisor, nor any of its officers, directors, or partners, nor any of its affiliates, or its officers, directors or partners, have ever been (i) convicted or pleaded guilty (or nolo contendere) to a felony or misdemeanor involving (1) an investment or investment-related business, (2) fraud, false statements or omissions, or (3) the wrongful taking of property, bribery, forgery, counterfeiting or extortion; (ii) found by a court or administrative agency to be in violation of any federal or state investment (or investment-related) statutes, rules or regulations; (iii) found by the United States Securities and Exchange Commission, or any other federal or state regulatory agency or self-regulating organization, to have (1) made a false statement or omission, (2) been involved in a violation of its rules, regulations or statutes, or (3) been a cause of an investment-related business having its authorization to do business denied, suspended, revoked or restricted.

6.4. Except as disclosed in writing to the Land Board, neither Advisor nor any of its officers, directors, partners, nor its affiliates, or its officers, directors partners have ever (i) had coverage under a fidelity bond or investment counselor's errors and omissions insurance policy denied or revoked; (ii) filed a bankruptcy or insolvency petition or been declared bankrupt; or (iii) had its registration revoked or its activities restricted.

6.5. If Advisor is a registered adviser under the Investment Advisers Act of 1940, as amended, then it shall deliver true, complete, and most recent copies of the Advisor's Investment Advisory Services Disclosure Document or Part 2 of its Form ADV at the time of execution of this Agreement. Advisor will deliver true and complete copies of any changes, modifications, and interpretations or new, revised or replaced issuances of such documents as promptly as practicable after the adoption thereof.

6.6. Advisor is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is qualified to do business in all states for which qualification is required in light of Advisor's business, activities and operations.

6.7. Advisor has all requisite power and authority to enter into this Agreement and to carry out its obligations hereunder, including but not limited to all licenses, permits and other government regulations required in connection therewith. The execution of this Agreement has been duly authorized by Advisor and no other proceedings on Advisor's part are necessary to authorize this Agreement.

6.8. Neither the execution of this Agreement nor the performance of the acts contemplated hereby nor compliance by Advisor with any provisions hereof will:

- (a) violate any provision of Advisor's organizational documents;
- (b) to Advisor's knowledge, violate any statute or law or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Advisor;
- (c) violate any agreement to which Advisor or Advisory Personnel are parties to or to which they are bound or affected; or

(d) violate, conflict with or constitute a default under, permit the termination of, or require the consent of any person under, any agreement to which Advisor may be bound that in the aggregate would have a material adverse effect on the properties, business, prospective earnings, assets; liabilities or condition (financial or otherwise) of Advisor.

6.9 The personnel of Advisor set forth on Exhibit B attached hereto and incorporated herein (the "Advisory Personnel") shall be responsible for discharging Advisor's duties and obligations under this Agreement. The Advisory Personnel are individuals experienced in the performance of the various functions contemplated by this Agreement. Advisor shall provide advance written notice to Land Board of any change to the Advisory Personnel. Any replacement of any of the Advisory Personnel shall be individuals with experience and expertise who are at least reasonably equivalent to that of the personnel they are replacing.

6.10 Neither Advisor nor the Advisory Personnel are parties to any litigation, administrative proceeding or investigative proceeding which would, if determined adversely, affect their suitability or ability to engage in and perform the services contemplated by this Agreement. None of the Advisory Personnel have been convicted of a felony of any nature or a misdemeanor involving moral turpitude. Neither Advisor nor any of the Advisory Personnel have entered into a consent decree in lieu of civil sanctions or criminal prosecution for any offense which if proven would have rendered them ineligible or unsuitable to perform the services contemplated by this Agreement.

6.11 Advisor has fully reviewed and understands its duties, obligations and rights under the provisions of this Agreement. Without limitation, Advisor agrees, understands and warrants that its performance under the terms and conditions of this Agreement shall be evaluated in accordance with the terms of this Agreement.

7. Advisor's Affirmative Covenants.

7.1 The Land Board acknowledges that Advisor and its Affiliates are engaged in a broad range of businesses, services and investments in real estate and other areas, both as principals and as agents or brokers for others. Without first obtaining the Land Board's written consent, neither Advisor, its Affiliates, nor its or their principals, officers, directors, shareholders or employees, may (i) receive any commissions or fees from any third party with respect to the purchase, sale, mortgage or leasing of any of the endowment land or the financing thereof; or (ii) except as elsewhere expressly provided in this Agreement, receive any other compensation or fees or engage in any other transactions with respect to the business of any of the endowment land other than receipt of fees payable hereunder pursuant to Section _____. If the Land Board approves a transaction or contract otherwise forbidden by this Section, a condition to such approval shall be that the Land Board shall each have a direct right of action against Advisor and the Affiliate of Advisor for breaches of such Affiliate's duties under such contract or transaction.

As used herein, "Affiliate" shall mean with respect to any person, any entity, company, corporation, limited partnership, general partnership, or joint venture, that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with such firm, person or entity.

7.2 Upon a good faith showing by the Land Board that it has reason to believe Advisor may have financial difficulties that would adversely affect Advisor's ability to fulfill its duties hereunder, Advisory shall furnish to the Land Board upon the Land Board's request Advisor's most recent financial statements.

7.3 Advisor shall permit the Land Board or any duly authorized agent of the Land Board, upon reasonable notice, to audit, inspect, examine, excerpt, copy or transcribe Advisor's records, as they pertain to the Account, during the term of this Agreement and for a period of five (5) years following the termination of this Agreement. Advisor shall also permit the Land Board or its agent, upon reasonable notice, to monitor all activities conducted by Advisor pursuant to this Agreement. Such monitoring may include, but shall not be limited to, internal evaluation procedures, examination of data, special analyses, on-site checks and any other reasonable procedures.

7.4 Advisor shall obtain and maintain the following insurance coverages during the term of this Agreement:

(a) Fiduciary liability or investment consultant's errors and omissions insurance in a form commercially available and acceptable to the Land Board of not less than a combined single limit of Two Million Dollars (\$2,000,000) covering all officers, agents and employees of Advisor ("E&O Insurance"). The E&O insurance shall protect the Land Board's assets, including but not limited to the Properties, against losses from the negligent acts, errors and omissions of such persons.

(b) Commercial General Liability Insurance (with broad form endorsement) of at least One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury, death and property damage.

(c) Automobile Liability Insurance with at least Five Hundred Thousand Dollars (\$500,000) combined single limit per accident.

(d) Such other insurance as shall be deemed reasonably necessary from time to time by the Land Board to fully protect the Land Board's assets, including but not limited to the Properties, against losses and liabilities attributable to Advisor's acts or omissions.

All insurance carriers shall be rated an "A" or above by Best's Insurance Rating Service. The policies shall require the insurer to copy the Land Board with all notices sent to Advisor, including but not limited to, notices of cancellation, renewal, amendments, potential exhaustion of aggregate limits, and denials of coverage. Such certificates of insurance shall contain a provision, which requires that a sixty (60) day notice, prior to cancellation, be given to the Land Board. A true and correct copy of each paid-up policy evidencing such insurance that provides the coverage required by the Land Board shall be delivered to the Land Board concurrently with the execution hereof. The Land Board shall be named as an additional insured under such policies, where appropriate.

If any of the insurance required under this Agreement is arranged on a “claims made” basis, “tail” coverage will be required at the completion of this Agreement for a duration of twenty-four (24) months thereafter. Advisor shall be responsible for furnishing certification of “tail” coverage or continuous “claims made” liability coverage for twenty-four (24) months following Agreement completion. Continuous “claims made” coverage will be acceptable in lieu of “tail” coverage provided its retroactive date is on or before the effective date of this Agreement.

7.5 Advisor acknowledges and agrees that if this Agreement is terminated, Advisor and the Authorized Personnel shall be deemed to have resigned their director, officer or advisor positions as of a date designated by the Land Board which will be no later than three (3) days following the date this Agreement is terminated, and will assist and cooperate with the transition of successor directors, officers or advisors, as the case may be.

7.6 Advisor shall comply with all applicable local, state, and federal licensing and accrediting requirements/standards, necessary in the performance of this Agreement.

7.7 Advisor shall provide right of access to its facilities to the Land Board, its directors, officers and employees and any other authorized agent of the Land board, in order to reasonably monitor and evaluate performance, compliance, and/or quality assurance under this Agreement.

7.8 Advisor shall promptly, and in any case within three business days, notify the Land Board in writing:

- (a) if any of the covenants, representations and warranties of Advisor set forth in this Agreement shall cease to be true at any time during the term of this Agreement;
- (b) of any change in the Advisory Personnel;
- (c) of any direct or indirect change in control of Advisor;
- (d) of any other material change in Advisor’s business operations or organizational structure that could have a material adverse effect on Advisor’s ability to perform its obligations under this agreement;
- (e) of any investigation, examination or other proceeding involving Advisor or any of the Advisory Personnel commenced by any regulatory agency or other governmental authority which is not conducted in the ordinary course of Advisor’s business, or any criminal investigation involving Advisor or any of the Advisory Personnel; or
- (f) of any written claims against Advisor of any of advisor’s institutional investors seeking reimbursement or damages separately or cumulatively exceeding \$50,000 in amount or alleging fraud, misrepresentation or other violation of fiduciary responsibility by Advisor or any of the Advisory Personnel.

8. Advisor's Negative Covenants.

8.1 Without the Land Board's prior written consent, neither Advisor, its Affiliates nor any of their respective shareholders, partners, officers, agents or employees shall directly or indirectly receive any material benefit from any of the Properties other than as contemplated by this Agreement. A certification to this effect from Advisor shall be required with respect to the Properties on an annual basis or as otherwise requested by the Land Board.

8.2 Advisor may enter into contractual arrangements at its sole cost and expense with third parties to provide specialized information, advice, and reports to Advisor. Such arrangements shall not in any way relieve Advisor of any responsibility under this Agreement. Advisor shall be and remain liable for all damages to the Land Board or the State of Idaho caused by negligent performance or non-performance of work under the Agreement by any such third party. Advisor shall provide any reports or other documentation produced by such third parties to the Land Board as soon as reasonably practicable, and in no event later than thirty (30) days after the termination of this Agreement.

9. "Most Favored Nations." Advisor represents and warrants to the Land Board that Advisor will provide the Land Board with the lowest hourly rate as set forth in Exhibit A available to any other client of Advisor for similar management services and similar size of the fair market value of funds under management. Advisor represents and warrants that such lowest hourly rate is reflected in Exhibit A of this Agreement. Advisor also represents and warrants to the Land Board that should Advisor contract with any current or future client at an hourly rate lower than the hourly rate set out in Exhibit A of this Agreement for similar management services and size of this Agreement Advisor shall within ten (10) business days of Advisor having executed such contract with such hourly rate, (1) notify the Land Board in writing of such rate reduction, and (2) enter into a written amendment to this Agreement with the Land Board that includes an amended Exhibit A to this Agreement, to reduce the hourly rate in such Exhibit A to match such hourly rate.

10. Notice. Any notice given in connection with this Agreement shall be in writing and shall be delivered either by hand to the other party, or by certified mail, postage prepaid, return receipt requested, to the addresses provided below shall be deemed given three (3) days after the date of mailing to the following address:

BOARD:

Idaho State Board of Land Commissioners
300 North 6th Street, Suite 103
Boise, ID 83702
Attn: Secretary, Dustin T. Miller

ADVISOR:

Either party may change its address by giving written notice of the change to the other party delivered in the manner described in this Section.

11. Indemnification. Advisor shall indemnify, defend and save harmless the Land Board, the Department, and their officers, agents and employees, from and against any and all liability, claims, damages, losses, expenses, actions, attorney fees and suits whatsoever caused by or arising out of Advisor's performance, acts or omissions under this Agreement. The indemnification rights and obligations of the parties hereto shall survive the termination of this Agreement.

12. Sufficient Appropriation by Legislature Required. It is understood and acknowledged that the Land Board is a part of the State of Idaho, and this Agreement shall in no way or manner be construed to bind or obligate the Land Board, Idaho Department of Lands, or the State of Idaho beyond the term of any appropriation of funds by the State legislature as the same may exist from time to time. The Land Board reserves the right to terminate this Agreement if, in its sole judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required by the Land Board or Idaho Department of Lands to meet any obligation under this Agreement; or requires any return or "give-back" of funds required for the Land Board or Idaho Department of Lands to continue payments; or if the Executive Branch mandates any cuts or holdbacks in spending; or if funds are not budgeted or otherwise available; or if the Land Board or Idaho Department of Lands discontinues or makes a material alteration of the program under which funds were provided. Neither the Land Board nor Idaho Department of Lands shall be required to transfer funds between accounts in the event that funds are reduced or unavailable. All affected future rights and liabilities of the parties shall thereupon cease within ten (10) calendar days after notice to Advisor. Further, in the event of non-appropriation, neither the Land Board nor Idaho Department of Lands shall be liable for any penalty, expense, or liability, or for general, special, incidental, consequential or other damages resulting therefrom.

13. Termination

13.1 This Agreement may be terminated by the Land Board in its sole discretion and without cause upon written notice to Advisor. Such termination shall be effective as of 5:00 p.m. Mountain Time on the day which it is received by Advisor if such day is a business day, and if not, as of 5:00 p.m. Mountain Time on the next business day.

13.2 This Agreement may be terminated by Advisor on thirty (30) days' written notice to Land Board. Upon the effective date of such termination, Advisor shall cease all activity with respect to the Properties except as provided for in section hereafter.

13.3

(a) Upon termination of this Agreement pursuant to sections , or , Advisor shall have the right and obligation to complete such work as the Land Board requests, if any. Termination by either party shall in no way affect the rights, liabilities and obligations which arose prior to the effective date of termination.

(b) Upon termination pursuant to sections , or , fees of Advisor payable hereunder shall be prorated to the date of termination. The Land Board may withhold funds in an amount

reasonably determined by the Land Board to be necessary to protect the Land Board against potential loss or liability caused by Advisor's misfeasance; provided however, the Land Board shall provide written notice to Advisor that such amounts are being withheld, the amount thereof and the reasons therefor. The parties agree to confer in good faith to resolve any disputes regarding such withheld amounts.

(c) Upon termination of this Agreement pursuant to sections __, or __, the Land Board, in addition to any other rights provided in this Agreement, may require Advisor to deliver to the Land Board any property specifically produced or acquired by Advisor on behalf of the Land Board, including, but not limited to, materials provided by third parties pursuant to section __ of this Agreement.

(d) Effective as of the date of termination pursuant to sections __, or __, of this Agreement, and except as otherwise directed by the Land Board in writing, Advisor shall (i) stop work under the Agreement on the termination date, (ii) take such action as may be necessary, or as the Land Board may direct, for the protection and preservation of the property related to this Agreement that is in Advisor's possession and in which the Land Board has or may acquire an interest. The foregoing shall include, without limitation, attending post-termination meetings and additional consultations during the six-month period following the date of termination as shall be reasonably requested by the Land Board.

(e) The rights and remedies of the Land Board provided in this Section __ shall not be exclusive and are in addition to any other rights and remedies provided by law or equity or under this Agreement.

13.4 The Land Board may terminate this Agreement for its convenience in whole or in part, if the Land Board determines that it is in the Land Board's best interest to do so.

(a) After receipt of a notice of termination for convenience, and except as directed by the Land Board, Advisor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. Advisor shall:

(i) Stop work.

(ii) Place no further subcontracts or other agreements with third parties for materials, services, or facilities, except as necessary to complete the continuing portion of the Agreement.

(iii) Terminate all subcontracts or agreements with third parties to the extent they relate to the work terminated.

(iv) Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts or agreements with third parties.

(b) If Advisor and Land Board fail to agree on the amount to be paid because of the termination for convenience, the Land Board will pay Advisor the following amounts; provided that in no event will total payments exceed the flat fee payable to Advisor as set forth in Exhibit A:

(i) The prorated price services accepted by the Land Board and not previously paid for; and

(ii) The total of:

A. The reasonable costs incurred in the performance of the work terminated, including initial costs and preparatory expenses allocable thereto, but excluding any cost attributable to services paid or to be paid;

B. The reasonable cost of settling and paying termination settlement proposals under terminated subcontracts and agreements with third parties that are properly chargeable to the terminated portion of the Agreement; and

C. Reasonable storage, transportation, demobilization, unamortized overhead and capital costs, and other costs reasonably incurred by Advisor in winding down and terminating its work.

(c) Advisor will use generally accepted accounting principles, or accounting principles otherwise agreed to in writing by the parties, and sound business practices in determining all costs claimed, agreed to, or determined under this clause.

14. Advisor's Staff and Organizational Changes. Advisor shall immediately notify the Land Board of any changes in Advisor's organizational structure which may have impact on the duties and responsibilities of Advisor as it relates to the Account. Unless prohibited by law, Advisor shall immediately notify the Land Board if it enters into any negotiations or discussions with another party for the sale to or merger of Advisor with another entity or the acquisition of another entity if such negotiations have a material chance of success or if a principal member or manager begins to spend a substantial amount of time on the subject of sale, acquisition or merger. Advisor shall also immediately notify the Land Board of any material change in the status of any Advisor Personnel as listed in Exhibit C, other staff, consultants, or agents who have a significant role in the performance of this Agreement including, but not limited to, a change in duties which would materially reduce the amount of time spent on matters relating to the Agreement.

15. Notice of Regulatory Matters. To the extent permitted by applicable law, Advisor shall promptly notify the Land Board of any extraordinary investigation, examination, complaint, disciplinary action or other legal or regulatory proceeding relating to or affecting Advisor or involving any staff, consultants or agents who has performed any services with respect to the Account in the twenty-four (24) preceding months, which is commenced by any of the following:

(i) the Securities and Exchange Commission of the United States; (ii) The New York Stock Exchange; (iii) the National Association of Securities Dealers; (iv) any agency of the state of Idaho that regulates real estate, real estate transactions, securities, investment organizations or banking; (v) any agency of any state of the United States or any United States government department or agency that regulates securities, investment organizations or banking; or, (vi) any governmental agency of a country in which Advisor is doing business that regulates securities, investment organizations or banking. In the event that notice required by this section is prohibited by law, Advisor shall immediately notify the Land Board upon the expiration of such prohibition.

16. Confidential Communications. All communication and information furnished by the Land Board to Advisor, and by Advisor to the Land Board including, but not limited to, materials provided by third parties pursuant to section of this Agreement, shall be treated as confidential and shall not be disclosed to third parties by Advisor except as required by law, including, but not limited to, the Idaho Public Records Act, Chapter 1, Title 74, Idaho Code.

The Land Board may require that Advisors officers, employees, agents, or subcontractors separately agree in writing to the obligations contained in this section or sign a separate confidentiality agreement. Confidential Information shall be returned to the Land Board upon termination of this Agreement. The confidentiality obligation contained in this section shall survive termination of this Agreement. Confidential Information shall not include data or information that:

- (a) Is or was in the possession of Advisor before being furnished by the Land Board or being furnished by a third-party consultant to Advisor pursuant to this Agreement, provided that such information or other data is not known by Advisor to be subject to another confidentiality agreement with or other obligation of confidentiality to the Land Board or the Idaho Department of Lands;
- (b) Becomes generally available to the public other than as a result of disclosure by Advisor; or
- (c) Becomes available to Advisor on a non-confidential basis from a source other than the Land Board, the Idaho Department of Lands, or a third-party consultant to Advisor pursuant to this Agreement, provided that such source is not known by Advisor to be subject to a confidentiality agreement with or other obligation of confidentiality to the Land Board or the Idaho Department of Lands.

17. Independent Contractor Status. Advisor is an independent contractor. Advisor shall not hold itself out to any third person as an agent, partner, joint venturer of, or with the Land Board, or in any other capacity or relationship with the Land Board.

17.1 Advisor shall be responsible for payment of all taxes which it may incur in the performance of this Agreement including, but not limited to, federal and state income taxes, unemployment insurance taxes, and any other taxes or business license fees.

17.2 Advisor shall supply, at its sole expense, all equipment, tools, materials or supplies to accomplish the work to be performed.

17.3 Advisor is not eligible for, nor entitled to, and shall not participate in, any of the State of Idaho's pension, health or other fringe benefit plans.

17.4 Advisor agrees to obtain worker's compensation coverage as required by law for Advisor's employees and to furnish a copy of Advisor's certificate of worker's compensation insurance to the Land Board upon the Land Board's request.

18. No Third-party Beneficiaries. The parties hereto do not intend that any persons or entities other than the parties hereto shall have any rights or remedies hereunder. The parties hereto specifically disclaim any intent to bestow any enforceable benefit upon any third parties as against the parties hereto. Any benefit accruing to any such third party as the result of the execution of this Agreement is merely coincidental and no third party may rely on receiving any such benefit.

19. Default. Advisor shall be in default hereunder if any one or more of the following occurs: (i) Advisor fails to observe or perform any of the covenants, agreements, conditions or undertakings herein contained to be kept, observed and performed by Advisor; (ii) Proceedings in bankruptcy or for liquidation, reorganization or rearrangement of Advisor's affairs are instituted by or against Advisor; (iii) A receiver or trustee is appointed for all or substantially all of Advisor's business or assets; (iv) Advisor shall make an assignment for the benefit of creditors. In the event of any default by Advisor, the Land Board, at its election, may enforce, by judicial action or otherwise, any one, or any combination of, remedies available at law or in equity including, but not limited to, terminating this Agreement and/or seeking court ordered injunctive relief.

20. Land Board's Authority. The Land Board represents that this Agreement with Advisor to advise the Land Board is authorized by applicable Idaho law, and that the Land Board is duly authorized and empowered to execute this Agreement.

21. No Personal Liability. Advisor specifically understands and agrees that in no event shall any official, officer, employee or agent of the Land Board, Department of State of Idaho, be personally liable or responsible for any representation, statement, covenant, warranty or obligation contained in, or made in connection with, this Agreement, express or implied.

22. Attorney Fees. In the event of a legal proceeding of any kind instituted under this Agreement or to obtain performance of any kind under this Agreement, the prevailing party shall be awarded such additional sums as the court may adjudge for reasonable attorney fees, costs and distributions incurred in such proceeding.

23. Applicable Law. This Agreement shall be governed by and construed under the laws of the State of Idaho and the parties hereto consent to the jurisdiction and venue of the courts of Ada County, State of Idaho, in the event of any dispute with respect to this Agreement.

24. Registration With Secretary Of State And Service Of Process

24.1 Advisor must independently verify whether it is required by Idaho law to register its business entity or assumed business name with the Idaho Secretary of State and, if required to do so, must remain in good standing during the term of this Agreement.

24.2 Regardless of its registration with the Idaho Secretary of State, and in addition to any methods of service allowed by Idaho law, Advisor hereby consents to service of process upon it by registered or certified mail, return receipt requested, at its last known address. Advisor must notify IDL in writing of any change of address to which service of process can be made. Service shall be completed upon Advisor's actual receipt of process or upon Land Board's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Advisor shall have thirty calendar days after completion of service in which to respond.

25. Assignment and Delegation. Advisor shall not assign, subcontract or otherwise delegate any rights or obligations under this Agreement, without the prior written consent of the Land Board, which such consent may be withheld in the Land Board's sole discretion, and any other approvals required by State law, including, but not limited to, Idaho Code §67-1027. This Agreement shall inure to the benefit of and be binding upon the parties and their permitted successors and assigns.

26. No Waiver. The waiver of any breach or default to this Agreement shall not be construed as or deemed to be a waiver of any subsequent breach or default.

27. Severability. In the event that any court of competent jurisdiction specifically finds that any provision or section hereof is unconstitutional or is in irreconcilable conflict with applicable law, or specifically finds that any provision or section hereof is unenforceable, the remaining provisions hereof shall be enforceable. However, if the court also specifically finds that allowing the enforcement of the Agreement under the remaining terms will work an injustice upon either or both parties, or deprive either or both parties of the benefit of their respective bargain, the court shall declare the Agreement terminable by either party effective upon the expiration of thirty (30) days following written notice of the same by the terminating party to the other.

28. No Waiver of Sovereign Immunity. In no event shall this Agreement or any act by the Land Board, be construed as a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

29. Time Is Of The Essence. Time shall be of the essence in connection with Advisor's performance of its obligations under this Agreement.

30. Incorporation of Amendments to Applicable Laws. Any references to a section of state law or other laws or to any regulations or administrative pronouncements thereunder shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

31. Counterparts. This Agreement may be executed simultaneously by facsimile signature and in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

32. Section Headings. The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

33. Use of the State of Idaho, Land Board, or Department of Lands Name. Advisor shall not, prior to, in the course of, or after performance under this Agreement, use the State's, the Land Board's, or the Department of Lands' name in any advertising or promotional media, including press releases, as a customer or client of Contractor without the prior written consent of the Land Board or the Department of Lands.

34. Entire Agreement. This Agreement sets forth the entire agreement between the parties related to the subject matter of this Agreement and may only be amended or modified by mutual written agreement of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement.

[SIGNATURE PAGE FOLLOWS].

Advisor Name

State of Idaho Board of Land Commissioners

Name: _____

Name: Dustin T. Miller

Title: _____

Title: Secretary

Date: _____

Date: _____



**EXHIBIT A
FEE SCHEDULE**

Fee Rates:

1. One per hour fee for all items in the Scope of Services as provided in the following table.

Function	Per Hour Fee Rate
Executive Management	\$380
Managing Director	\$290
Senior Vice President	\$235
Vice President	\$210
Assistant Vice President	
Associate	\$175
Analyst	\$200
Administrative	\$100

For items in the Scope of Services, fees will be paid on a monthly basis after receipt of an itemized invoice for services rendered during the previous month.

EXHIBIT B
Advisory Personnel

[TO COME]



STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Information Agenda

Subject

Proposed rule for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*

Background

The Idaho Department of Lands (Department) is responsible for fire suppression on all private timbered and endowment timber and rangelands. IDAPA 20.04.01 identifies the persons responsible for and staffing for forest protective districts, as well as enforcement authorities for those individuals. The Forest Fire Protection rules also identify assessment rates levied on timber lands to fund forest protective district personnel and equipment. Furthermore, they provide rules related to the use of deficiency warrants as well as guidance for entering into fire protection agreements with other fire suppression entities.

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. Zero-Based Regulation negotiated rulemaking for Rules Pertaining to Forest Fire Protection was approved by the State Board of Land Commissioners (Land Board) on August 15, 2023 (Attachment 1).

Discussion

The Department's outreach for negotiated rulemaking included the following:

- Published the Notice of Negotiated Rulemaking in the Idaho Administrative Bulletin.
- Created a rulemaking webpage to post documents, scheduling information, and comments.
- Posted meeting information on social media.
- Posted rulemaking notices to Townhall Idaho.
- Emailed draft rules to 197 interested members of the public.
- Posted two draft rules in strikethrough format with reasonable periods of time for public comment.
- Engaged in discussions with Associated Logging Contractors, Idaho Department of Environmental Quality, Idaho Forest Owners Association, and Idaho Forest Industry group members.

The Department held two public negotiated rulemaking meetings with options for in-person or virtual participation. Three participants attended the October 10, 2023, meeting in Coeur d'Alene and no members of the public attended the October 11, 2023, meeting in McCall. There were no public comments provided during the meetings. The comment period ended

February 22, 2024. Written comments were received from PotlatchDeltic, Associated Logging Contractors, Inc., and the Department of Environmental Quality. A summary of negotiated rulemaking is included in Attachment 2.

Attachment 3 is the draft text that will be submitted for publication in the Administrative Bulletin as a proposed rule. The proposed rule will be open for public comment upon publication on July 3, 2024.

After the proposed rulemaking public comment period, the Department will present the rule to the Land Board for adoption as a pending rule for review by the 2025 Idaho Legislature.

Attachments

1. August 15, 2023 Approved Memo
2. Negotiated Rulemaking Summary
3. Proposed Rule Text

The logo of the Idaho Department of Lands is a large, stylized diamond shape. It features a light green center with a wavy pattern, surrounded by a yellow border with a wavy pattern, and an outer grey border. A horizontal grey bar with rounded ends is superimposed across the center of the diamond, containing the text "IDAHO DEPARTMENT OF LANDS" in white, bold, sans-serif capital letters.

IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

Subject

Negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*

Question Presented

Shall the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*?

Background

The Idaho Department of Lands (Department) is responsible for fire suppression on all private timberland and endowment timber and rangelands. IDAPA 20.04.01 identifies the persons responsible for and staffing for fire protection districts, as well as enforcement authorities for those individuals. The Forest Fire Protection rules also identify assessment rates levied on timberlands to fund fire protection district personnel and equipment. Furthermore, the rules provide instructions related to the use of deficiency warrants, as well as guidance for entering into fire protection agreements with other fire suppression entities.

Discussion

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. The Department will review the rules with stakeholders to ensure it provides clarity in our processes. Preliminary research from the Department has not identified any major changes. The Department anticipates reducing the total word count by removing repetitive statements from the rule chapter.

A proposed timeline for the rulemaking process is provided as Attachment 1.

Recommendation

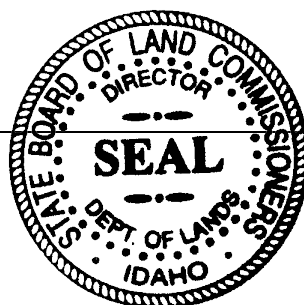
Authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.01 *Rules Pertaining to Forest Fire Protection*.

Board Action

A motion was made by Superintendent Critchfield that the Land Board authorize the Department to move forward with negotiated rulemaking for IDAPA 20.04.01 as indicated. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

Attachments

1. Draft rulemaking timeline



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Response to Comments on Negotiated Rule
IDAPA 20.04.01, Rules Pertaining to Forest Fire Protection

Comment	Rule Section	Response
<p>20.04.01.050 Refuse Wood Burning Near Forest Land</p> <p>DEQ suggests modifying this rule language to include a reference that other regulations may be applicable to this type burning. Propose edits: Any saw mill, planing mill, shingle mill, or other woodworking or wood product manufacturing plant, operating in or within five hundred (500) feet of Forest Land and burning refuse wood material outside of and/or adjacent to the mill or plant, must meet the terms of Section 38-108, Idaho Code <u>and other applicable State or local regulations.</u></p> <p>Open burning of refuse wood by manufacturing facilities, regardless of proximity to forest land, must meet requirements in 58.01.01.600-624 and the material being burned is not identified as prohibited in 58.01.01.603.01 (i.e. 603.01.i. Trade Waste). Facilities with air pollution emission permits generally have conditions which would exclude open burning of this material. Refuse wood burned in a controlled combustion unit for co-generation, heat alone, or other process purposes does not appear to align with the statute language which seems to be addressing open burning (no stack or vent).</p>	050.	IDL incorporated this suggestion in the proposed rule.

Comment	Rule Section	Response
<p>We agree that smoking should be prohibited during periods of critical fire danger, but posting signs in a job site is problematic at best. The other signs we post now for safety reasons (felling ahead, trucks, etc.) get stolen or shot at on a regular basis. Posting ‘No Smoking’ signs makes sense in other places – buildings for example – but seems to stretch common sense on a logging job</p>	<p>080.</p>	<p>IDL appreciates the Associated Logging Contractors’ comment and recognizes that during periods of critical fire danger logging contractors are well informed and take additional steps to prevent fire. IDL considered altering the rule to ensure logging contractors brief their crews on fire restrictions, including smoking prohibitions, but this likely is already done. Unfortunately, the public, despite extensive outreach, can be very uninformed about fire restrictions and smoking requirements. Case in point is a fire started in a fire camp by portable toilet service personnel discarding a cigarette butt during stage two fire restrictions. For the protection of the forest and forest workers IDL will retain the No Smoking sign rule.</p>

IDAHO DEPARTMENT OF LANDS

20.04.01 – RULES PERTAINING TO FOREST FIRE PROTECTION

000. AUTHORITY.

This chapter is adopted under the legal authority of Sections 38-115, 38-132, 38-402, 58-104(6), 58-105, and 67-5201 et seq., Idaho Code. (3-31-22)

001. TITLE AND SCOPE.

~~01. Title.~~ These rules are titled IDAPA 20.04.01, “Rules Pertaining to Forest Fire Protection.” and implement the provisions of Title 38 Chapter 1, Idaho Code. They describe provide (3-31-22)

~~02. Scope.~~ These rules govern requirements standards pertaining to for forest fire protection, permitting, and for firefighting water supply and tool requirements for Forest Operations. (3-31-22)

002. INCORPORATION BY REFERENCE.

01. Incorporated Document. IDAPA 20.04.01 adopts and incorporates by reference the full text of the following documents published by the San Dimas Technology & Development Center (SDTDC). (3-31-22)

a. Spark Arrester Guide – General Purpose and Locomotive (GP/Loco), Volume 1, September 2012, 1251 1809-SDTDC. (3-31-22)

b. Spark Arrester Guide – Multiposition Small Engine (MSE), Volume 2, August 2012, 1251 1808-SDTDC. (3-31-22)

c. Spark Arrester Guide – Off-Highway Vehicles (OHV), Volume 3, April 2012, 1251 1805-SDTDC. (3-31-22)

02. Printed and Bound Copies. Printed copies or bound copies may be viewed at any District Office or requested through SDTDC, 444 E. Bonita Ave, San Dimas, 91773. (3-31-22)

003. -- 009. (RESERVED)

010. DEFINITIONS.

The terms Fire Warden, Forest Land, Forest Products, Person, Range Land, Slash, and State are defined in Section 38-101, Idaho Code. In addition to the definitions set forth in the Act, the following definitions apply to these rules: ()

01. Block. A piece of logging equipment where steel rope or cable ~~is actively turning~~ the block’s pulley ~~and used~~ as part of a cable logging/~~yarding~~ system. It is for the specific purposes of used to establish installing tail hold anchor points, intermediate support of main lines, or carriage haul-back capability for the purposes of for yarding ~~ing~~ or hauling ~~ing trees or of~~ logs to a ~~log~~ landing ~~for transportation to a mill or processing facility.~~ (3-31-22)

02. Cable or Cable Assisted Logging. A harvest system for felling or yarding ~~of forest product materials consisting of the use of trees or logs for transport to a landing using~~ a cable assisted harvester or ~~the use of~~ a yarder, spar tree, or intermediate support with a motorized or non-motorized carriage ~~to transport logs to the landing for further processing purposes.~~ (3-31-22)

03. Closed Fire Season. The calendar period from May 10 to October 20, ~~inclusive, of each year~~ or as designated by the Director, due to conditions of unusual fire danger, when a permit is required to burn pursuant to under Section 38-115, Idaho Code. (3-31-22)

04. Department. The Idaho Department of Lands. (3-31-22)

- 05. Director.** The ~~d~~Director of the Idaho Department of Lands or their designee.
~~or his authorized representative.~~ (3-31-22)
- 06. District.** A designated forest protective district under Section 38-110, Idaho Code. (3-31-22)
- ~~**07. Fire Warden.** A duly appointed fire warden or deputy. (3-31-22)~~
- ~~**08. Forest Land.** Any land which has upon it sufficient brush or flammable forest growth of any kind or size, living or dead, standing or down, including debris or growth following a fire or removal of forest products, to constitute a fire menace to life (including animal) or property. (3-31-22)~~
- ~~**0907. Forest Operation.** An activity or service conducted on ~~f~~Forest ~~L~~ands involving any of the operations ~~as~~ described below where a Certificate of Compliance – Fire Hazard Management Agreement and/or Forest Practice Notification are required under Sections 38-122, 38-404, and 38-1306, Idaho Code ~~is required pursuant to Section 38-122, Idaho Code.~~ ()~~
- a. The harvesting of trees ~~using equipment that includes, but is not limited to,~~ including felling, bucking, yarding, delimbing, and decking ~~operations~~; (3-31-22)
- b. Thinning or mastication operations for stand improvement, stand density management or fuel reduction ~~purposes~~; (3-31-22)
- c. Road construction or reconstruction ~~of existing roads~~ including installation or improvement of bridges, culverts, or structures; ~~and or~~ (3-31-22)
- d. Slash management including chipping, grinding, or other mechanized reduction activities. (3-31-22)
- ~~**1008. Metal-Tracked Harvester.** Any machine with metal tracks used to fall, bunch, or process trees into forest products at the stump. (3-31-22)~~
- ~~**1109. Operator.** A ~~person~~ Person who conducts a ~~f~~Forest ~~e~~Operation. (3-31-22)~~
- ~~**1210. Operating Area.** ~~That~~ The area where a ~~f~~Forest ~~e~~Operation ~~is taking place~~ occurs. (3-31-22)~~
- ~~**13. Person.** Includes any person or persons, and any corporation, firm or other entity. (3-31-22)~~
- ~~**14. Range Land.** Any land that is not cultivated and that has upon it native grasses or other forage plants making it best suited for grazing of domestic and wild animals and which land is adjacent to or intermingled with forest land. (3-31-22)~~
- ~~**15. Slash.** Brush, severed limbs, poles, tops and/or other waste material incident to such cutting or to the clearing of land that are four (4) inches and under in diameter. (3-31-22)~~
- ~~**16. State.** State of Idaho. (3-31-22)~~

011. SPARK ARRESTER REQUIREMENTS AND EXEMPTIONS.

01. Requirements. The steam or internal combustion engines referred to in Section 38-121, Idaho Code, must be equipped with properly installed, maintained, and effectively working spark arresters that comply with the standards set forth in the San Dimas Technology and Development Center's "Spark Arrester Guide(s)." ()

- 02. Exemptions.** The following are exempt from the requirements of the rule: ()
- a.** Turbo-charged internal combustion engines in which one hundred percent (100%) of the combustion gases exhaust through the turbo-charger; ()
- b.** Engines of passenger-carrying vehicles and light trucks, kept in good repair, equipped with baffle-type muffler and tailpipe which exhaust all combustion gases; ()
- c.** Engines of heavy-duty trucks equipped with a vertical exhaust stack and muffler extending above the cab of the vehicle; ()
- d.** Engines of water pumping equipment used in firefighting; and ()
- e.** Engines of helicopters and other aircraft. ()

012. -- 019. (RESERVED)

020. VARIANCE FROM RULE FOR ALTERNATE PRACTICES.

~~If conditions or activities require the application of~~ To apply practices that differ from those prescribed in these rules, the Operator must first obtain a variance ~~prior to employing any of those differing practices.~~ (3-31-22)

- 01. Obtaining a Variance.** ~~In order to obtain a variance,~~ The Operator ~~must~~ submit a written request for a variance to the ~~local~~ District Fire Warden. ~~The request, which must include~~ the following: (3-31-22)
- a.** A description of the specific Operating Area where the variance ~~is being requested~~ applies; (3-31-22)
- b.** The ~~particular~~ conditions that necessitate a variance; (3-31-22)
- c.** A detailed description of the ~~alternative~~ practice; and (3-31-22)
- d.** A detailed description of how the alternate practice, ~~if applied, will~~ provides fire protection that is ~~equal to or greater~~ no less than ~~the fire protection~~ the protection provided by the standards ~~set forth~~ in these rules. (3-31-22)

02. Department Response to Request for Variance. Within five (5) business days from receipt of the variance request, the Department will evaluate the request and notify the Operator in writing of ~~the~~ Department's ~~decision~~ termination to allow or disallow the variance request. (3-31-22)

021. -- 029. (RESERVED)

030. STANDARDS FOR FIRE PROTECTION BY INDIVIDUALS.

The following rules and standards ~~apply for to~~ protection by owners of ~~Forest~~ FL and who have elected to provide their own protection ~~as provided by~~ under Section 38-111, Idaho Code, ~~apply~~: (3-31-22)

01. Fire Plans. ~~Each owner~~ Before April 1, of each year, Forest Land owners must submit a written fire plan to ~~the director for approval, through the~~ Director (through the district ~~Fire w~~ Warden in of charge of the ~~District in which in which the such~~ Forest ~~FL and lies, before April 1, of each year, a written fire plan that~~ includes ~~that includes, but is not limited to:~~ (3-31-22)

- a.** A map, ~~with (on a scale of two (2) inches to the mile), revealing~~ showing section, township, and range lines, ~~of the forest land involved and showing thereon~~ roads, streams, trails, and the location of protection facilities of the Forest Land involved ~~for such land;~~ (3-31-22)

b. A description of the system for discovering and reporting ~~any and all~~ fires originating on or spreading to the ~~fForest lLand~~ involved. (3-31-22 __)

c. A statement ~~Statements~~ showing ~~describing~~ the following: ()

i. ~~the~~ The number of firefighters ~~and their sources of additional firefighter manpower~~ available for immediate action to suppress any fire on the ~~fForest lLand~~; ~~and further, their sources of additional manpower available as firefighters.~~ (3-31-22 __)

d. ~~A statement showing~~ ~~it~~ the type and amount of ~~firefighting~~ equipment in serviceable condition including ~~, but not limited to, fire hose, fire engines, portable pumps, dozers, and mobile equipment for the transportation for firefighting equipment and manpower of men and equipment.~~ (3-31-22 __)

eiii. A statement as to ~~T~~ the location of fire-tool caches and the number and kind of serviceable hand tools in each cache ~~kept available for immediate use in firefighting, (including shovels, hoes, axes, and fire-pump cans) kept available for immediate firefighting use.~~

iv. For protection facilities, the name, address, and telephone number of the person in charge and obligated to carry out the provisions of the fire plan: ()

f. The name, address, and telephone number of the person who is in charge of the protection facilities and obligated to carry out the provisions of the fire plan. (3-31-22 __)

02. Approval of Fire Plan Required. ~~No~~ Only plans approved by the Director will become effective ~~unless approved by the director.~~ (3-31-22 __)

031. -- 039. (RESERVED)

040. COSTS OF FIRE SUPPRESSION ~~AND PROTECTION~~ ~~FOR WILLFULL OR NEGLIGENT FIRES.~~

~~Whenever the state incurs costs in controlling or extinguishing a fire that any person willfully or is negligently responsible for, such costs include all actual costs to the state, including wages of full time personnel and use of equipment of the forest protective district or districts where the fire originated or burned~~ Costs, which are incurred by the State or its authorized agencies to control or extinguish a fire that any Person is willfully or negligently responsible for, are all actual costs including wages of personnel and use of equipment. (3-31-22 __)

041. -- 049. (RESERVED)

050. ~~REFUSE WOOD BURNERS~~ ~~BURNING NEAR FOREST LAND.~~

Any saw mill, planing mill, shingle mill, or other woodworking plant, or plant wood product manufacturing plant wood products, operating in or within five hundred (500) feet of ~~fForest lLand~~, and burning refuse wood material outside of and/or adjacent to ~~the~~ such mill or plant, will must meet the terms of Section 38-108, Idaho Code and other applicable state and local laws and regulations. (3-31-22 __)

051. -- 059. (RESERVED)

060. ~~BURNING~~ PERMITS ~~DURING CLOSED FIRE SEASON.~~

The burning permit ~~specified in~~ under Section 38-115, Idaho Code, ~~is used to~~ protects public health, safety, and welfare. The permit ~~and~~ is subject to the following conditions: (3-31-22 __)

01. When Permit Required. Permits issued for open fires are required from May 10 through October 20, ~~inclusive, of~~ each year and are limited to ~~that the~~ period of time needed to accomplish the permitted burning; provided, ~~however, that in~~ no event will such permit will be issued to cover a period of more than ten (10) days. (3-31-22 __)

02. Permit Conditions. Each permit contains ~~all~~ the terms and conditions deemed necessary by the

~~d~~Director for ~~such~~ burning, ~~which~~ Such terms and conditions remain effective for the entire period of the permit. ~~(3-31-22)~~

061. -- 069. (RESERVED)

070. PERMIT TO ENTER AREAS CLOSED AREA DUE TO FIRE HAZARD.

~~Pursuant to~~ Under Section 38-115, Idaho Code, the ~~d~~Director, ~~because of critical fire hazard~~, may close specified areas to entry by any ~~p~~Person ~~or party~~, because of critical fire hazard. ~~(3-31-22)~~

01. Notice of Closure. Notice of closure to specified areas ~~will be~~ is by Director proclamation ~~of the director and will~~ and is communicated to the Fire Wardens of the affected Districts ~~be and published at least once in a newspaper of the general circulation public~~ throughout the county or counties affected in the most effective way available. ~~Such proclamation will immediately be mailed to the fire wardens of the affected districts.~~ ~~(3-31-22)~~

02. Fire Warden Permits. The ~~f~~Fire ~~w~~Warden ~~in charge~~ of the ~~forest protective d~~District ~~in which such areas are located~~ with a closed area may, in his discretion, issue permits to a Person ~~individuals~~ to enter ~~such~~ closed areas. The permittee ~~is required to~~ must carry a copy of the permit ~~at all times~~ while in the closed area. ~~(3-31-22)~~

071. -- 079. (RESERVED)

080. SMOKING PROHIBITIONS IN THE WOODS.

01. Smoking Prohibited. Smoking is prohibited on Forest or Range Land during periods of critical fire danger as proclaimed by the Director. Logging Operators must post conspicuous "NO SMOKING" signs in their camps and Operating Areas during these periods. ~~()~~

02. Designated Smoking Areas. Fire Wardens may designate areas where the Director may allow smoking. ~~()~~

SPARK ARRESTERS.

~~01. REQUIREMENTS. THE STEAM OR INTERNAL COMBUSTION ENGINES REFERRED TO IN SECTION 38-121, IDAHO CODE, MUST BE EQUIPPED WITH PROPERLY INSTALLED, MAINTAINED, AND EFFECTIVELY WORKING SPARK ARRESTERS THAT COMPLY WITH THE STANDARDS SET FORTH IN THE SAN DIMAS TECHNOLOGY AND DEVELOPMENT CENTER'S "SPARK ARRESTER GUIDE(S)."~~

~~(3-31-22)~~

~~02. EXEMPTIONS. THE FOLLOWING ARE EXEMPT FROM THE REQUIREMENTS OF THE RULE:~~ ~~(3-31-22)~~

~~A. TURBO-CHARGED INTERNAL COMBUSTION ENGINES IN WHICH ONE HUNDRED PERCENT (100%) OF THE EXHAUST GASES PASS THROUGH THE TURBO-CHARGER.~~ ~~(3-31-22)~~

~~B. ENGINES OF PASSENGER-CARRYING VEHICLES AND LIGHT TRUCKS, EQUIPPED WITH BAFFLE TYPE MUFFLER AND TAILPIPE THROUGH WHICH ALL EXHAUST GASSES PASS, THAT ARE KEPT IN GOOD REPAIR.~~ ~~(3-31-22)~~

~~C. ENGINES OF HEAVY-DUTY TRUCKS EQUIPPED WITH A VERTICAL EXHAUST STACK AND MUFFLER EXTENDING ABOVE THE CAB OF THE VEHICLE.~~ ~~(3-31-22)~~

~~D. ENGINES OF WATER PUMPING EQUIPMENT USED IN FIREFIGHTING.~~ ~~(3-31-22)~~

~~E. ENGINES OF HELICOPTERS AND OTHER AIRCRAFT.~~ ~~(3-31-22)~~

081. -- 089. (RESERVED)

090. RESTRICTED ACTIVITIES DURING PROCLAIMED CRITICAL FIRE DANGER.

01. Critical Fire Danger. During periods and in areas of critical fire danger as proclaimed by the Director, any Person engaged in any activities in forest areas of the State may have those activities restricted to the least dangerous periods of the day. ()

02. Notice. Notice of restricted activities is by Director proclamation and is communicated to the Fire Wardens of the affected Districts and the public throughout the county or counties affected in the most effective way available. ()

SMOKING IN THE WOODS.

~~01. SMOKING PROHIBITED. SMOKING IS PROHIBITED ON FOREST OR RANGE LANDS OF THE STATE DURING PERIODS OF CRITICAL FIRE DANGER AS DESIGNATED BY THE DIRECTOR. LOGGING OPERATORS MUST POST "NO SMOKING" SIGNS CONSPICUOUSLY IN THEIR CAMPS AND OPERATING AREAS WHEN SUCH PERIODS OF CRITICAL FIRE DANGER HAVE BEEN DECLARED.~~

~~(3-31-22)~~

~~02. DESIGNATED SMOKING AREAS. FIRE WARDENS MAY DESIGNATE THOSE AREAS WHERE SMOKING MAY BE PERMITTED UPON APPROVAL OF THE DIRECTOR.~~ (3-31-22)

091. FIRE WATCH SERVICE IN STAGE TWO (2) PROCLAMATION AREAS.

Every Operator engaged in a Forest Operation within a Stage Two (2) proclamation area must provide fire watch service in the Operating Area. ()

01. Duties and Requirements. Fire watch service consists of at least one (1) person who: ()

a. Is constantly on duty for three (3) hours after all power-operated equipment has been shut down for the day; ()

b. Visually observes the Operating Area where activity occurred during the day; ()

c. Has adequate equipment for transportation and communication to summon timely fire-fighting assistance; and ()

d. Immediately responds to any fire in the Operating Area by initiating fire suppression actions within the scope of their knowledge, skills, and abilities. ()

02. Fire Watch Service Exemption. A Forest Operation conducted under an Option 1 Certificate of Compliance is exempt from Section 091.01. ()

092. -- 099. (RESERVED)

100. FIRE TOOLS AND FIRE EXTINGUISHERS REQUIREMENTS DURING CLOSED FIRE SEASON.

During closed fire season the following fire tool requirements apply: (3-31-22)

01. Basic Fire Cache. Every Operator engaged in any Forest Operation on Forest Lands must have available for firefighting purposes the number of tools and tool-boxes set forth listed in Table 1. A Forest Operation having more than ten (10) people must use multiples of any of the values in a columns in the table to arrive at a tool distribution equal to or in excess of no less than the number of people in the Forest Operation.

TABLE 1			
People in Operation	2 - 5	6 - 8	9 - 10

Tool-Box	1	1	1
Shovels	2	4	5
Pulaskis	2	4	4
5 gallon pPump eCans or bBladder bBags	1	1	2

(3-31-22)

a. The tool-boxes ~~required by this rule~~ must be clearly marked "FOR FIRE USE ONLY." ~~and~~ (3-31-22)

b. The tools ~~required by Subsection 100.01~~ must be in a location immediately accessible for firefighting purposes, maintained in a serviceable condition, and ~~be~~ fully functional at the time of deployment. (3-31-22)

02. Warming Fires or Campfires. Except when in designated, developed campgrounds, or when traveling as a pedestrian, all ~~pPersons or parties~~ igniting warming fires or campfires must be equipped with the following: (3-31-22)

a. One (1) serviceable shovel at least twenty-four (24) inches in ~~overall~~ length with at least a six (6) inch ~~or wider~~ blade. (3-31-22)

b. One (1) water container, capacity one (1) gallon or more. (3-31-22)

03. Power Equipment. Each unit of mobile or stationary power equipment operating on Forest Land, other than portable power saws, trail bikes, motorcycles, all-terrain ~~vehicles~~ and similar type vehicles, operating on forest lands of the state must be equipped with a minimum of one (1) chemical fire extinguisher rated by the Underwriters Laboratory as ~~not~~ less than 4-BC. (3-31-22)

04. Portable Power Saw. Any ~~pPerson~~ using a portable power saw on ~~forest Forest land Land in the state~~ must have the following immediately available for ~~the prevention and~~ fire prevention and suppression ~~of fire~~: (3-31-22)

a. A fully charged operable fire extinguisher of at least eight (8) ounce ~~minimum~~ capacity. (3-31-22)

b. A serviceable round-pointed size zero (0) or larger shovel. (3-31-22)

101. -- 109. (RESERVED)

110. FIRE CREWS DURING CLOSED FIRE SEASON.

When engaged in a Forest Operation on Forest Lands during closed fire season, the ~~person~~ Person responsible for the Forest Operation must designate a fire crew and a fire foreman, ~~(with powers to act for their employer).~~ Without compromising the safety of the crew, the firefighters must ~~to~~ take immediate, reasonable ~~initial~~ action within the scope of their knowledge, skills, and abilities and make a reasonable effort to suppress any fire starting on the Operating Area ~~without compromising the safety of the crew~~. (3-31-22)

111. -- 119. (RESERVED)

120. RESTRICTED ACTIVITIES.

~~**01. CRITICAL FIRE DANGER. DURING PERIODS OF CRITICAL FIRE DANGER, AS DETERMINED BY THE DIRECTOR, ALL PERSONS ENGAGED IN ANY ACTIVITIES IN FOREST**~~

~~AREAS OF THE STATE, DETERMINED TO BE CRITICAL, MAY HAVE THOSE ACTIVITIES RESTRICTED TO THE LEAST DANGEROUS PERIODS OF THE DAY.(3-31-22)~~

~~02. NOTICE. NOTIFICATION OF SUCH RESTRICTION WILL BE BY PROCLAMATION OF THE DIRECTOR AND WILL BE PUBLISHED AT LEAST ONCE IN A NEWSPAPER OF GENERAL CIRCULATION THROUGHOUT THE COUNTY OR COUNTIES AFFECTED.(3-31-22)~~

~~121. — 129. (RESERVED)~~

~~130. WATER SUPPLY AND EQUIPMENT.~~

OPERATING AREA SEASONAL FIRE PREVENTION REQUIREMENTS.

To prevent the spread of fire in or from an Operating Area, every Operator conducting a Forest Operation using a Cable Logging System or a Metal-Tracked Harvester during the calendar period of July 1st through September 30th must comply with the following precautions: ()

~~Every Operator conducting a Forest Operation using a cable logging system or a metal tracked harvester during the period of July 1st through September 30th annually must provide the following water supply and fire suppression equipment in the Operating Area. (3-31-22)~~

01. Water Supply, Water Delivery, and Readiness. (3-31-22)

a. The water supply ~~must~~ will consist of a self-propelled motor vehicle or trailer equipped with a water tank containing ~~not~~ less than two hundred (200) gallons of water. (3-31-22)

~~b. Trailers used for this purpose~~ water tanks must be equipped with will have a functional hitch attachment and ~~have~~ a serviceable tow vehicle immediately available ~~to provide~~ for timely ~~fire suppression~~ response. (3-31-22)

~~b. For water delivery, there will be a water pump, hose, and a nozzle.~~

02. Water Delivery. (3-31-22)

~~a. Water pump. The size and capacity of the water pump must be of sufficient capacity to provide a discharge of not less than at least twenty (20) gallons per minute when pumping discharged at pump level through fifty (50) feet of hose of not less than at least three quarter (¾) inch inside diameter hose with an adjustable nozzle at pump level. (3-31-22)~~

~~b. Hose and nozzle. The Operator There must have be at least five hundred (500) feet of serviceable hose of not less than at least three quarter (¾) inch inside diameter and a nozzle. (3-31-22)~~

03. Readiness. (3-31-22)

~~a. To ensure readiness: ()~~

~~i. All hose, motor vehicles, trailers, tanks, nozzles, and pumps must will be kept ready for immediate use during active operations, including the fire watch service as set forth described in Section 140091 of these rules.(3-31-22)~~

~~b. The water supply, pump, a minimum of at least two hundred (200) feet of immediately deployable hose packaged in a suitable manner for immediate deployment, and the nozzle must will be maintained as a connected, operating unit ready for immediate use ready for immediate use. (3-31-22)~~

02. Additional Seasonal Requirements for Cable or Cable-Assisted Logging

When conducting a Cable or Cable Assisted Logging operation on Forest Land the Operator must: ()

a. Clear the ground of all flammable debris for at least (10) feet slope distance from the point directly below any Block; ()

b. Prevent moving lines from rubbing on rock or woody material that could create sparks or

sufficient heat that may ignite fuel; and ()

c. Provide at each Block: ()

i. One (1) pump equipped can or bladder containing no less than five (5) gallons of water; and ()

ii. One (1) round pointed size zero (0) or larger shovel in a serviceable condition. ()

0403. Water Supply and Equipment Exemption. A Forest Operation conducted under an Option 1 Certificate of Compliance is exempt from the ~~water supply and equipment~~ requirements of ~~Subsection 130~~**120.01.** () (3-31-22)

~~131. -- 139. (RESERVED)~~

~~140. FIRE WATCH SERVICE.~~

Every Operator engaged in a Forest Operation within a Stage 2 proclamation area must provide Fire Watch Service in the Operating Area. (3-31-22)

~~01. Duties and Requirements.~~ Fire Watch Service must consist of at least one (1) person who: (3-31-22)

~~a. Is constantly on duty for three (3) hours after all power operated equipment has been shut down for the day. (3-31-22)~~

~~b. Visually observes the Operating Area where activity occurred during the day. (3-31-22)~~

~~c. Has adequate equipment for transportation and communications to summon fire fighting assistance in a timely manner; and (3-31-22)~~

~~d. Immediately responds to any fire in the Operating Area to initiate such fire suppression actions to suppress the fire within the scope of their knowledge, skills and abilities. (3-31-22)~~

~~02. Fire Watch Service Exemption.~~ A Forest Operation conducted under an Option 1 Certificate of Compliance is exempt from the fire watch service requirements of Section 140. (3-31-22)

~~121. -- 999. (RESERVED)~~

~~141. -- 149. (RESERVED)~~

~~150. OPERATION AREA FIRE PREVENTION.~~

~~TO PREVENT THE SPREAD OF FIRE ON OR FROM AN OPERATING AREA, EVERY OPERATOR CONDUCTING A FOREST OPERATION DURING THE PERIOD OF JULY 1ST THROUGH SEPTEMBER 30TH, ANNUALLY, MUST COMPLY WITH THE FOLLOWING PRECAUTIONS: (3-31-22)~~

~~01. Cable or Cable Assisted Logging.~~ The following practices and equipment are required by the operator when conducting a cable logging operation on forest land. (3-31-22)

~~a. Clear the ground of all flammable debris for not less than ten (10) feet slope distance from the point directly below any block. (3-31-22)~~

~~b. Prevent moving lines from rubbing on rock or woody material in such a way to cause sparks or sufficient heat that may cause fuel ignition. (3-31-22)~~

~~c. Provide a water supply that complies with the capacity, pump, hose, nozzle and readiness requirements set forth in Section 130 of these rules. (3-31-22)~~

~~d. Provide at each Block: (3 31 22)~~

~~i. One (1) pump equipped can or bladder containing not less than five (5) gallons of water; and (3 31 22)~~

~~ii. One (1) round pointed size zero (0) or larger shovel in a serviceable condition. (3 31 22)~~

~~151. 999. (RESERVED)~~

IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Information Agenda

Subject

Proposed rule for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws*

Background

The Idaho Department of Lands (Department) is responsible for ensuring the reduction of hazardous wildland fuels created by forest products removal. IDAPA 20.04.02 establishes a consistent process for completing and assessing the reduction of hazardous fuels; it also sets bond rates for ensuring hazard reduction and penalties for non-compliant contractors.

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. Zero-Based Regulation negotiated rulemaking for Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws was approved by the State Board of Land Commissioners (Land Board) on August 15, 2023 (Attachment 1).

Discussion

The Department's outreach for negotiated rulemaking included the following:

- Published the Notice of Negotiated Rulemaking in the Idaho Administrative Bulletin.
- Created a rulemaking webpage to post documents, scheduling information, and comments.
- Posted meeting information on social media.
- Posted rulemaking notices to Townhall Idaho.
- Emailed draft rules to 197 interested members of the public.
- Posted three draft rules in strikethrough format with reasonable periods of time for public comment.
- Engaged in discussions with Associated Logging Contractors, Idaho Department of Environmental Quality, Idaho Forest Owners Association, and Idaho Forest Industry group members.

The Department held two public negotiated rulemaking meetings with options for in-person or virtual participation. Three participants attended the October 10, 2023, meeting in Coeur d'Alene and no members of the public attended the October 11, 2023, meeting in McCall. There were no public comments provided during the meetings. The comment period ended April 17, 2024. Written comments were received from PotlatchDeltic, Associated Logging Contractors, Inc., the Department of Environmental Quality, and Riley Stegner and

Associates. All comments were addressed with changes to the rule text consistent with statutes and other Department regulations. A summary of negotiated rulemaking is included in Attachment 2. There are no unresolved issues from the negotiated rulemaking process.

Attachment 3 is the draft text that will be submitted for publication in the Administrative Bulletin as a proposed rule. The proposed rule will be open for public comment upon publication on July 3, 2024.

After the proposed rulemaking public comment period, the Department will present the rule to the Land Board for adoption as a pending rule for review by the 2025 Idaho Legislature.

Attachments

1. August 15, 2023 Approved Memo
2. Negotiated Rulemaking Summary
3. Proposed Rule Text

The logo of the Idaho Department of Lands is a large, stylized diamond shape. It features a light green background with a yellow border. Inside the diamond, there are stylized mountain peaks and a river. A horizontal banner across the middle of the diamond contains the text "IDAHO DEPARTMENT OF LANDS" in white, uppercase letters.

IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

August 15, 2023

Regular Agenda

Subject

Negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

Question Presented

Shall the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

Background

The Idaho Department of Lands (Department) is responsible for ensuring the reduction of hazardous wildland fuels created by forest products removal. IDAPA 20.04.02 establishes a consistent process for ensuring the reduction of hazardous fuels, establishing bond rates for operators, as well as penalties for non-compliant contractors.

Discussion

Following Executive Order 2020-01, Zero-Based Regulation, this rule chapter is scheduled to be repealed and replaced in 2024 for review during the 2025 legislative session. The Department will review the rules with stakeholders to ensure they provide clarity in our processes. Preliminary research from the Department has not identified any major changes. The Department anticipates reducing the total word count by removing repetitive statements from the rule chapter.

A proposed timeline for the rulemaking process is provided as Attachment 1.

Recommendation

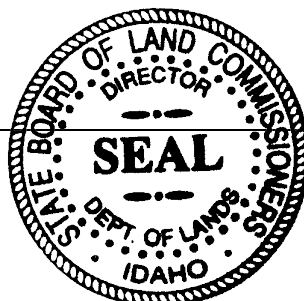
Authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*.

Board Action

A motion was made by Attorney General Labrador that the Land Board authorize the Department to initiate negotiated rulemaking for IDAPA 20.04.02 *Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Law*. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

Attachments

1. Draft rulemaking timeline



State Board of Land Commissioners
Negotiated Rulemaking for IDAPA 20.04.02
Regular Meeting – August 15, 2023
Page 1 of 1

ATTACHMENT 1

Summary Response to Comments on Negotiated Rule
IDAPA 20.04.02, Rules Pertaining to Forest Fire Protection

Comment	Rule Section	Response
DEQ proposes IDL include “burning operations” in the list of provisions added to this version of the rule.	001.	1. IDL appreciates this comment. The first draft attempted to broaden the scope of this section but for brevity did not include all topics the rule deals with. Burning operations are a key element however and this was incorporated in the third draft.
<p>Thank you for the opportunity to comment on the Idaho Department of Lands’ (IDL) zero-based regulation negotiated rulemaking Docket 20-0402-2301 – Rules pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws – Draft #3. Landowners and their forest operations rely on clear and concise rules for post-harvest hazard mitigation, and the public rulemaking process ensures that the regulated public is provided ample feedback throughout the process.</p> <p>With the rulemaking process open, we would like to explore additional options to reduce slash hazard liabilities.</p>	060	2. Riley Stegner and Associates’ supportive comments on Draft #3 are very much appreciated. IDL looks forward to discussions with Riley Stegner and Associates and their industry group members regarding contracts for Hazard Management. A Hazard Management Contract is listed as Option 4 on the Certificate of Compliance – Fire Hazard Agreement form and is authorized under Section 38-404, Idaho Code. This option is not often exercised by contractors but is available in circumstances that are mutually beneficial to the parties involved.
Our members are uneasy about the ‘prescribed burn plan’ called for plus the suggested ‘memorandum of understanding’ between IDL and DEQ being discussed in the DEQ efforts to manage smoke from slash burning and prescribed fire. We would like to have further discussion with IDL on this and with DEQ & IDL on this as well.	110.	3. IDL regrets the re-organization of this Section in the second draft did not provide the added clarity needed to better define the burn plan requirements. IDL appreciated the opportunity to address these concerns with the Associated Logging Contractors, Inc., and believes the changes made in the third draft and the proposed rule provide the needed clarity.

Comment	Rule Section	Response
<p>Although Draft #3 has provided additional clarification to several issues identified in the earlier versions, PotlatchDeltic wishes to contribute additional commentary on this latest draft...</p> <p>Rule Citation Section: 20.04.02.110 The title of this section could be BURNING OF FOREST LAND as it is defined in the definitions section (38-101) and would encompass the types of burning listed in Draft #3.</p> <p>It is recommended to utilize definitions already defined in statutes or chapters relating to Title 38 and describe Burning as the action it is and describe when Burn Plans are required and who needs to approve them. The phrase "are met" implies a rigid standard and requirement.</p>	110.	<p>4. IDL regrets the clarification provided in Section 110 in Draft #3 did not fully address the concerns of all stakeholders and appreciates PotlatchDeltic's helpful suggestions.</p> <p>Nineties era efforts to address authorities relative to air quality during burning operations for Hazard Reduction culminated in IDAPA 20.02.01.071 PRESCRIBED FIRE. More recently a great deal of effort on the part of IDL, DEQ, Forest Industry members, the Idaho Forest Owners Association and the Associated Logging Contractors was devoted to addressing DEQ smoke management plan requirements through an interagency memorandum between IDL and DEQ. Implementation of a burn plan requirement in 20.04.02 for burning Slash piles supports DEQ efforts to address smoke management and will help Idaho demonstrate to the federal government that National Ambient Air Quality Standards are achieved. This strategy avoids the need for a new DEQ rule for smoke management and allows Forest Operation contractors to get their work done under a single Agreement with IDL.</p> <p>To avoid future uncertainty, to ensure existing Title 38 definitions and statutory language are used, to ensure consistency with Title 39 and to ensure the current smoke management planning of IDL and DEQ is addressed, the definition for Prescribed Fire from IDAPA 20.02.01 and IDAPA 58.01.01.614 is added to the IDAPA 20.04.02 proposed rule definitions. The heading for Section 110 is now simply REQUIREMENTS FOR PRESCRIBED FIRE IN FOREST LAND.</p> <p>The statutory requirement to protect forest resources and maintain air quality from Title 38 Chapter 13 Idaho Code (20.02.01.071) and the requirement to provide adequate smoke control for open burning from IDAPA 58.01.01.614 are now referenced in the Subsection 110.01 Burning text. Additionally, the "for any purpose" text is replaced with "for Forest Operations" to specify what burn plans are required for and to avoid inadvertently requiring an IDL approved burn plan for</p>

Comment	Rule Section	Response
		other uses of prescribed fire for open burning or non-forest management, non-negligent, deliberate fires in Forest Land (i.e., campfires and warming fires).
<p>Specifically, there are multiple places in this section and the supporting tables that remove language regarding hazard points and credits given to landowners for items such as gated access and nearby water supply.</p> <p>Therefore, we recommend that the agency either retain the current hazard points system language in the rules document or move these elements to another document structure that requires public comment and negotiated rulemaking for any substantive proposed future changes to the system.</p>	120.	<p>5. IDL would like to state for the record there was no intention to change the point values or the process currently in use, but rather provide an opportunity to clarify the essential roles of the Contractor and the District Fire Wardens in implementing the Hazard Point system with a more complete narrative to describe that interaction. The table in question included lengthy examples of harvest operations that might generate the listed Slash Loads; these narratives, although useful, added unnecessary verbiage and will remain outside rule. The remainder of the table will stay in rule but is structured in Subsections that delineate the Contractor’s role in Hazard Reduction and the District Fire Warden’s role in auditing that Hazard Reduction. This not only provides added clarity but offers the opportunity to individually address elements of the process in future negotiated rulemaking as the forest management community sees fit. Further, the clearer description will help achieve consistency of application statewide. IDL appreciates PotlatchDeltic’s support in making these changes.</p>
<p>To maintain efficiency and address operating areas that may consist of multiple slashing areas that are topographically unique or separated by uncut timber, we suggest an approach that will allow for collaboration and flexibility in decision-making regarding the treatment of these unique slashing units within one operating area.</p>	120	<p>6. This suggestion is consistent with a similar suggestion from District Fire Wardens and IDL appreciates PotlatchDeltic’s support for adding this flexibility. The word “may” is substituted for the word “will” in the proposed rule to ensure the current, successful, collaboration between forest managers and Fire Wardens is maintained.</p>

20.04.02 – RULES PERTAINING TO THE IDAHO FORESTRY ACT AND FIRE HAZARD REDUCTION LAWS

000. LEGAL AUTHORITY.

~~These rules are~~ This chapter is adopted ~~pursuant to~~under the ~~rulemaking legal~~ authority ~~granted in~~of Sections 38-132, ~~and~~ 38-402, ~~58-105, and 67-5201 et seq.,~~ Idaho Code.

(3-18-22)()

001. TITLE AND SCOPE.

~~01. Title.~~ These rules are titled IDAPA 20.04.02, “Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws.” ~~and implement the provisions of Title 38, Chapters 1 and 4, Idaho Code. They provide for Hazard Management Agreements and eContracts and provide for burning requirements and Slash Hazard Reduction standards associated with cutting timber or other Forest Products. They also provide for release or continuation of Contractor liability for wildfire suppression costs for commercial forest products.~~

(3-18-22)()

~~02. Scope.~~ These rules implement the provisions of the Idaho Forestry Act and Fire Hazard Reduction Laws.

(3-18-22)

002. -- 009. (RESERVED)

010. DEFINITIONS.

The terms Fire Warden, Forest Land, Forest Products, Person, and State are defined in Section 38-101, Idaho Code. In addition to the definitions set forth in the Idaho Forestry Act and IDAPA 20.04.01, the following definitions apply to these rules:

~~Unless otherwise required by context, as used in these rules:~~ (3-18-22)()

~~01. Agreement.~~ The Certificate of Compliance-Fire Hazard Management Agreement ~~(Department of Lands Form 715) required by~~under Section 38-122, Idaho Code ~~(Fire Management Handbook 715 Att. 1).~~

(3-18-22)()

~~02. Clearance.~~ The Certificate of Clearance (Fire Management Handbook 760 Att. 1), required by law, which states the Contractor has met the terms of Section 38-122, Idaho Code.

()

~~03. Contract.~~ An optional Hazard Management Contract entered into with the Director by any landowner or operator, under Section 38-404, where the Department assumes the responsibility for management of the fire hazard in exchange for a fee.

()

~~0204. Contract Area.~~ The legal description of the land given on the ~~a~~Agreement or Contract.(3-18-22)()

~~0305. Contractor.~~ The ~~landowner, operator, or p~~Person who enters into the ~~Certificate of Compliance-Fire Hazard Management Agreement~~ or Contract.

(3-18-22)()

~~0406. Department.~~ The Idaho Department of Lands.

(3-18-22)()

~~0507. Director.~~ The Director of the Idaho Department of Lands or ~~his authorized representative~~their designee.

(3-18-22)()

~~0608. District.~~ A designated forest protective district under Section 38-110 Idaho Code. (3-18-22)()

~~0709. Fire Line.~~ A ~~line break in fuel scraped or~~ dug to mineral soil ~~which is intended~~ to control a fire.()

0810. Fire Warden Management Handbook. A ~~duly appointed fire warden or deputy~~ policy document which describes procedures and forms the Department uses to administer these rules. (3-18-22)()

0911. Fuel. Any ~~slash~~ Slash or woody debris that ~~will~~ contributes to the spread or intensity of a wildfire. (3-18-22)()

1012. Fuel Break. An area in which all ~~slash and dead woody debris have been~~ Fuel is removed or piled and burned. (3-18-22)()

1113. Hazard Points. A metric used by the Department to compute the fire hazard rating for Slashing Areas based on Hazard Reduction, site characteristics, and other protective measures that may reduce the spread or intensity of a wildfire. ()

14. Hazard Reduction. The burning or physical reduction of fire hazards by treatment ~~in a manner that to will~~ reduce the spread or intensity ~~and/or spread~~ of a wildfire ~~after treatment is completed.~~ (3-18-22)()

1215. Initial Purchaser or Purchaser. The first ~~p~~Person, company, partnership, corporation, or association of whatever nature who to purchases a forest Forest pProduct after it is harvested. (3-18-22)()

1316. Operational Period. A standard twelve (12) hour fire control shift. (3-18-22)()

17. Prescribed Fire. The controlled application of fire to wildland fuels, in either their natural or modified state, under conditions of weather, fuel moisture and soil moisture that allow the fire to be confined to a predetermined area while producing the intensity of heat and rate of spread required to meet planned objectives. ()

1418. Slash or Slashing. Brush, severed limbs, poles, tops and/or other waste material incident to such cutting or ~~to the~~ clearing of land, which are four (4) inches and under in diameter. However, for the purpose of these rules and to correspond with standard fire classifications, for these rules slash ~~will~~ only includes material ~~less than or equal to~~ three (3) inches or less in diameter. (3-18-22)()

18. Slashing Areas. Areas where sufficient flammable material to constitute a menace to life or property remains on the ground after cutting trees or brush preparatory to clearing, or after cutting Forest Products. ()

1520. Slash Load. Slash resulting from timber harvesting ~~that has occurred~~ under a current ~~a~~ Agreement, exclusive of natural mortality. (3-18-22)()

16. State. The state of Idaho. (3-18-22)

011. ABBREVIATIONS.

01. FMH. Fire Management Handbook. ()

012. -- 029. (RESERVED)

030. CERTIFICATE OF COMPLIANCE-FIRE HAZARD MANAGEMENT AGREEMENT.

01. Contents. A Certificate of Compliance-Fire Hazard Management Agreement must be obtained ~~by anyone who conducts an operation involving the~~ before any Person may harvesting of forest ~~Forest products~~ Products or potential ~~forest-Forest products~~ Products. ~~Such-The~~ Agreement provides ~~the options of to entering into~~ enter into a ~~contract~~ Contract as provided ~~in under~~ Section 38-404, Idaho Code, or ~~for~~ posting of a cash or surety

bond to the State. The ~~Certificate of Compliance required by Section 38-122, Idaho Code, must be in substantially the same form as Department of Lands Form No. 715 — “Certificate of Compliance Fire Hazard Management Agreement.” Agreement is described in FMH 715.~~ (3-18-22)()

02. Period of Time. The period ~~set forth within~~ defined by the Agreement is based ~~upon such considerations as~~ on the size of the ~~eContract~~ ~~a~~Area, the volume of the timber to be harvested, ~~and or~~ the silvicultural objectives of the landowner. ~~However, i~~n no case may a single Agreement exceed a period of twenty-four (24) months unless the ~~eContractor~~ ~~submits,~~ and the ~~fFire wWarden~~ ~~mutually approves,~~ agree upon a ~~written hazard management~~ plan for the timely abatement of the hazard during a ~~longer~~ period ~~that may exceed twenty four (24) months.~~ (3-18-22)()

03. Extensions. If ~~the a~~ ~~eContractor~~ cannot meet the standard required to obtain a ~~eClearance~~ within the period specified ~~above in the Agreement,~~ they ~~contractor~~ may apply to the ~~fFire wWarden~~ for an extension. The application must be in writing, received at the ~~Fire district~~ ~~District~~ office thirty (30) working days before the Agreement expires, and show good reason ~~as to other than financial hardship,~~ why an extension ~~should be given is necessary (other than financial hardship).~~ Prior to the Agreement’s expiration date, ~~The the fFire wWarden~~ will acknowledge receipt of ~~grant or deny~~ the request ~~prior to the expiration of the Agreement with a form from FMH 715.~~ (3-18-22)()

04. Responsibility. The ~~eContractor~~ named in the Agreement ~~will be is~~ responsible for managing the fire hazard created by the harvesting and will receive the ~~eClearance~~ if the ~~slash treatment meets standards~~ ~~requirements of Section 120 are met~~ or will carry the liability for suppressing wildfire for five (5) full years following the expiration of the Agreement. (3-18-22)()

031. -- 039. (RESERVED)

040. ADDENDUM TO ~~CERTIFICATE OF COMPLIANCE FIRE HAZARD MANAGEMENT AGREEMENT~~ AGREEMENT FOR PARTIAL HAZARD REDUCTION. ~~In those instances where~~ ~~When~~ a ~~eContractor~~ ~~indicates an intent~~ ~~intends~~ to ~~only~~ accomplish only the ~~pile,~~ ing portion of the ~~total~~ ~~but not burn~~ dispose of or physically treat the ~~s~~Slash hazard reduction job ~~Load~~, an addendum to the Agreement must be executed ~~that precisely~~ ~~specifies~~ ~~ying precisely~~ the portion of ~~slash withholding hazard reduction~~ ~~monieys~~ ~~that will be to be~~ refunded. The addendum ~~must be is~~ in substantially the same form ~~as one~~ ~~executed with a form in~~ forms provided by the Department ~~FMH 715 Att. 4. of Lands Form No. 715.1 — “Addendum to Certificate of Compliance Fire Hazard Management Agreement.”~~ (3-18-22)()

041. -- 049. (RESERVED)

050. BOND.

01. Amount of Bond. The bond specified in Section 38-122 ~~and Section 38-404,~~ Idaho Code, ~~must~~ ~~will~~ be in the amount of four dollars (\$4) per thousand board feet (MBF), or equivalent measure as shown in Table I below, of ~~forest~~ ~~Forest products~~ ~~Products~~ harvested, and may ~~take the form of be:~~ cash, ~~surety bond,~~ or irrevocable letter of credit. Surety bonds must be ~~in substantially the same form as~~ ~~on~~ ~~forms provided by the~~ Department of Lands ~~Form No. 707 — “Bond.”~~ (3-18-22)()

02. Rates. Rates and amounts listed in Table I ~~will be are~~ used as a minimum in calculating hazard reduction bonds for ~~Forest products~~ ~~Products~~ cut from all state and private lands in Idaho.

TABLE I	
PRODUCT	BOND RATE
(1) MBF Measurement	

All Products	\$4.00 MBF
OR	
(2) Other Measurement	
Green pulp, stud timber, etc.	\$2.00 Cord
Lineal Foot Measure	
Utility poles and pilings, all species	\$.014 LF
Stulls, corral poles, cellar timbers, fence rails, round posts	\$.01 LF
Piece Measure	
100 inch bolt material	\$.08 ea.
Split posts	\$.02 ea.
Tree stakes	\$.02 ea.
Shake boards	\$.02 ea.
Ton Measurement	
Green or Dead Pulp, Chips, etc.	\$.70 Ton

(3-18-22)()

03. Exceeding Minimum Bond. The minimum bond rate ~~will is~~ only ~~be~~ exceeded when the landowner or operator requests that higher rate to accomplish additional ~~hazard~~ Hazard Reduction. (3-18-22)()

051. -- 059. (RESERVED)

060. CONTRACTS WITH FOREST LANDOWNERS OR OPERATORS FOR ASSUMPTION OF HAZARD REDUCTION MANAGEMENT RESPONSIBILITY.

Forest landowners and operators who engage in commercial timber harvesting operations ~~Forest Operations~~ may enter into an optional eContract Agreement with the Director as provided in Section 38-404, Idaho Code. Under the terms of ~~such an optional the eContract Agreement~~, the Director may assume all responsibility for the management and reduction of fire hazards ~~to be~~ created in return for a stipulated amount to be paid to the Director by the landowner or operator. ~~Such Any optional eContract Agreement must be in substantially the same form as on forms provided by the~~ Department of Lands Form No. 720 —“Contract for Management, Reduction and/or Removal of Fire Hazards Created by the Harvesting of Timber Within the State of Idaho,” or Department of Lands Form No 725 —“Contract for Management of Fire Hazards Created by the Harvesting of Timber Within the State of Idaho.”

061. -- 069. (RESERVED)

070. CONTRACTOR CASH BOND RELEASE TO THE DIRECTOR.

Contractors ~~that who~~ elect, under Section 38-122, Idaho Code, to have hazard reduction money withheld; but ~~who~~ do not intend to dispose of the hazard themselves; must release the withheld monies to the Director ~~of the Department of Lands.~~ Such The release must be in substantially the same form as is on a form in FMH 761 Att. 1. Department of Lands Form No. 761 —“Release of Cash Bond Withheld to Assure Slash Disposal.” (3-18-22)()

071. -- 079. (RESERVED)

080. ADDED PROTECTION IN LIEU OF HAZARD REDUCTION.

~~As provided in Section 38-401, Idaho Code, F~~ire hazard management methods may include ~~or be limited to the taking of~~ additional protective measures in lieu of actual disposal of the ~~slash~~ Slash hazard. Any funds coming into ~~district~~ District hazard management accounts through ~~contract~~ Contract, cash bond release, or forfeiture, may be used for added protection provided that the expenditure meets specifications outlined in Section 38-401, Idaho Code. ~~(3-18-22)()~~

081. -- 089. (RESERVED)

090. DUTIES OF THE INITIAL PURCHASER REQUIREMENTS OF FOREST PRODUCTS.

01. Initial Purchaser. Initial ~~purchasers~~ Purchasers of ~~forest~~ Forest products ~~Products~~, in accordance with ~~Section 38-122, Idaho Code,~~ must withhold, and remit to the State, ~~slash management hazard reduction~~ monies as appropriate for ~~according to~~ the ~~slash management hazard~~ option chosen by the ~~e~~Contractor ~~in the Agreement.~~ ~~Such~~ The option must be clearly identified on the ~~purchaser's~~ Purchaser's copy of the Agreement. ~~Slash-Hazard reduction~~ monies withheld in any one (1) calendar month must be remitted to the Director on or before the end of the next calendar month. ~~Such~~ The remittance ~~must~~ may be ~~in on~~ substantially the same form as Department of Lands Form No. 740—“Hazard Reduction Payment Record (FMH 705-Att. 2) or in a report with the same information.” ~~(3-18-22)()~~

02. Duty of Initial Purchaser. Initial ~~purchasers~~ Purchasers of ~~forest~~ Forest products ~~Products~~ must make certain that all ~~e~~Contractors from whom they purchase ~~forest~~ Forest products ~~Products~~ have obtained a proper Agreement. ~~(3-18-22)()~~

091. -- 099. (RESERVED)

100. INJUNCTION AGAINST FURTHER CUTTING WITHOUT AN AGREEMENT.

Any ~~p~~Person who cuts timber or other ~~forest~~ Forest products ~~Products~~ of any kind, without ~~having~~ first ~~secured~~ obtaining an Agreement, ~~in accordance with Section 38-122, Idaho Code,~~ may be enjoined from ~~continuing~~ such further cutting and will be required to immediately dispose of all ~~slash~~ Slash created. If the ~~p~~Person ~~responsible~~ fails to properly dispose of the ~~s~~Slash within thirty (30) days after ~~being notified to do so~~ receiving notification, the State may dispose of the ~~s~~Slash and ~~such~~ the costs of disposal, plus twenty percent (20%) as a penalty, may be collected as a prior lien against the ~~Forest products~~ Products harvested. ~~(3-18-22)()~~

101. -- 109. (RESERVED)

110. REQUIREMENTS FOR PRESCRIBED FIRE IN FOREST LAND~~BURNING OF SLASH.~~

01. Burning. Burning for Forest Operations must be planned, prepared, and executed in a way that protects forest resources and maintains air quality (Idaho Code §38-1304(1)(e) and IDAPA 20.02.071), provides adequate control of smoke (IDAPA 58.01.01.614) and avoids violating air quality standards. ~~()~~

02. Burn Plans. Burning within specifically designated blocks or areas of Forest Land at any time must be conducted under a prescribed burn plan approved by the ~~Fire Warden of the District's~~ Fire Warden in which the burn occurs. ~~()~~

a. For piled Slash burning, the District Fire Warden will provide a burn plan with the Agreement. ~~()~~

b. For other burning, the Contractor must submit to the District Fire Warden a detailed prescription for executing the burn. ~~()~~

~~01. Permits.~~ Any burning operation conducted for the purpose of hazard reduction ~~must be in accordance with the law requiring burning permits during the closed fire season.~~

03. Burn Crew. A Persons conducting burning operations must have a permit, when required, and sufficient men people, tools, and equipment on hand to immediately stop the uncontrolled spread of any fire. Burning operations must be planned, prepared and executed in such a manner that forest resources are not damaged and air quality standards are met. (3-18-22)()

02. Burn Plan. Burning of specifically designated blocks or areas of forest land for any purpose must be conducted in accordance with a prescribed burn plan approved by the fire warden in whose area of responsibility the burn occurs. (3-18-22)

111. -- 119. (RESERVED)

120. STANDARDS --TREATMENT OF FOR -HAZARD REDUCTION.

01. Purpose. It is the policy of the State that the fire hazard created by commercial timber harvest be reduced by Slash disposal or physical treatment. This Section provides standards for hHazard rReduction and the release of liability for the contractor who is working under a valid Agreement with the State. (3-18-22)()

02. Reduction of Total Hazard Points. The eContractor's -Forest Operation must achieve a reduce the total hazard Hazard points Point total charged against the contract area to of five (5) points or less (see Table II) through disposal, treatment and other protective measures on or before the expiration date on the Agreement's expiration date to receive a release of liability against any fires that originate in or pass through any contractSlashing aArea andin order to receive a refund of slash-hazard reduction monies withheld (less three (3) percent for the fire suppression fund, ref. Rule150) or; to clear any demands that might be made against the surety bond, and to receive a release of liability against any fires that start on or pass through the contract area(as stipulated in Subsections 130 and 150). The Fire Warden of the District's Fire Warden, where the Slashing Areas are located, will use Hazard Points to compute the Hazard Rating using the Hazard Reduction, site characteristics and other protective measures tables below. If the Operating Area has more than one Slashing Area and the Slashing Areas are topographically unique or separated by uncut timber, each Slashing Area may be audited independently. Detailed example Slash Loads and computations are provided in FMH 760. ()

a. Slash Load Technical Specifications. ()

TABLE II – SLASH LOAD TECHNICAL SPECIFICATIONS	
HAZARD RATING (POINTS)	SLASH LOAD
<u>LOW (0-5)</u>	<u>Slash Load does not exceed three (3) ton per acre.</u>
<u>MODERATE (6-10)</u>	<u>Slash Load is between three (3) ton per acre and six (6) ton per acre.</u>
<u>HIGH (11-15)</u>	<u>Slash Load is between six (6) ton per acre and twelve (12) ton per acre.</u>
<u>EXTREME (16-20)</u>	<u>Slash Load is greater than twelve (12) ton per acre.</u>

Slash Loads can be determined by using any standard photo series appropriate for the habitat type represented by the Slashing Area or by using USDA Forest Service General Technical Report INT-16, 1974 (HANDBOOK FOR INVENTORYING DOWNED WOODY MATERIAL). If the Contractor insists upon the latter, sampling intensity will be one (1) sample per two (2) acres through the Slashing Areas in question. The inventory cost is paid by the Contractor. All Slash resulting from the current harvest is included in the inventory except Slash piled and burned by the Contractor before the expiration date of the Agreement or granted extension. ()

b. Contractor Hazard Reduction Methods.

Hazard Point deductions can be assigned proportionate to the acreage completed using the table below. Fire Lines

are a minimum width of eighteen (18) inches for hand constructed and ten (10) feet for machine constructed. Machine constructed lines should not exceed twelve (12) feet width. Clear all fuels for a minimum of eight (8) feet adjacent to handlines. Displace soil to one side and all vegetative debris to the other for machine lines. Place Fuel Breaks and Fire Lines to take advantage of terrain (ridgelines, swales, etc.), manmade or natural barriers (roads, skid trails, escarpments, etc.), and provide optimum fire control effect. Tie lines to an anchor point except through a riparian management zone. ()

<u>Method</u>	<u>DESCRIPTION</u>	<u>HAZARD POINT RANGE</u>
<u>Disposal</u>	<u>Remove, pile and burn, or broadcast burn Slash.</u>	<u>0 to 42</u>
<u>Chipping</u>	<u>Chip Slash with a stationary or mobile chipper.</u>	<u>0 to 42</u>
<u>Crushing or Mastication</u>	<u>Crush Slash with repeated passes of heavy equipment or a mobile masticator. Residual fuel must not exceed the height and diameter limits for lopping.</u>	<u>0 to 20</u>
<u>Lopping</u>	<u>Cut all material less than three (3) inches in diameter so it does not extend more than twenty (20) inches of the mean height above the ground. Sever all boles greater than three (3) inches in diameter that intersect another bole.</u>	<u>0 to 10</u>
<u>Single Fuel Break</u>	<u>Remove, pile and burn or treat sufficiently all Slash and woody debris for a minimum width of one chain (66 feet).</u>	<u>1 to 5</u>
<u>Single Fire Line</u>	<u>Remove all vegetative material to expose mineral soil.</u>	<u>1</u>
<u>Isolation</u>	<u>Install Fuel Breaks and Fire Lines to divide or isolate Slashing Areas. (See Sub-section 04.a.)</u>	<u>1 to 25</u>

03. Site Characteristics. The Fire Warden will audit the Forest Operation and assign Hazard Points for site characteristics that increase risk of forest damage or threats to life or property. ()

a. Slashing Area Size. Large Slashing Areas will be assigned up to five (5) Hazard Points using the table below. ()

<u>ACRES</u>	<u><40</u>	<u>40-160</u>	<u>161-320</u>	<u>321-480</u>	<u>481-640</u>	<u>>640</u>
<u>PT VALUE</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>

<u>TABLE II-- HAZARD CHARACTERISTICS AND OFFSET SLASH LOAD MAXIMUM 20 POINTSRATING- TECHNICAL SPECIFICATIONS</u>	
<u>RATING- (POINTS)</u>	<u>ADJECTIVE DESCRIPTIONSLASH LOAD</u>
<u>LOW (0-5)</u>	<u>Slash Load does not exceed three (3) ton per acre. Associated with low harvest volumes per acre- such as selection cutting, light commercial- thinning, sanitation/salvage operations, tree length skidding with tops and limbs and little</u>

	or no breakage. Slash is broken up; slash is in many islands over the operating area.
MODERATE (6-10)	Slash Load is greater than three (3) ton per acre but less than six (6) ton per acre. Rating can be lowered by Fire Warden determination. Operation types similar to those listed above except that harvest volume per acre is higher or utilization standards are lower, or timber has higher proportion of unusable top and crown (commonly associated with partial cutting in second growth stands of mixed timber). Most diameter limit cutting falls in this category. Slash is distributed with some clear or very light areas intermingled with heavy islands of slash over the operating area, slash is not continuous.
HIGH (11-15)	Slash Load is greater than six (6) ton per acre but less than twelve (12) ton per acre. Rating can be lowered by Fire Warden determination. Usually associated with regeneration harvest methods such as shelterwood, seed tree and most clearcuts, or any partial cut with a high harvest volume per acre. Slash is nearly continuous through the operating area frequently with heavier islands intermingled with light continuous slash.
EXTREME (16-20)	Slash Load is greater than twelve (12) ton per acre. Rating can be lowered by Fire Warden determination. Any operation with very high cut volume, and/or low utilization standards, and/or many slashed or broken stems. Slash is continuous over the operating area with few light areas.
TECHNICAL SPECIFICATIONS	
LOW (0-5)	Slash load less than or equal to 3 inch diameter materials not to exceed 3.0 tons/acre.
MODERATE (6-10)	Slash load less than or equal to 3 inch diameter materials greater than 3.0 tons/acre but less than 6.0 tons/acre.
HIGH (11-15)	Slash load less than or equal to 3 inch diameter materials greater than 6.0 tons/acre but less than 12.0 tons/acre.
EXTREME (16-20)	Slash load less than or equal to 3 inch diameter materials exceeds 12.0 tons/acre.

b. Slashing Area Aspect and Slope. The Fire Warden will determine the predominant aspect and slope of each Slashing Area and assign up to ten (10) Hazard Points using the table below. ()

ASPECT	PERCENT SLOPE					
	0-10	11-20	21-30	31-40	41-50	>50
N to NE	0	0	1	2	4	5
E or NW	0	0	1	3	6	7
W or SE	0	1	2	5	8	9
S to SW	1	2	4	7	9	10

c. Pre-existing Slash. Any Slashing Area that has Slash from a previous operation, which has occurred within in the last five (5) years, will be assigned up to two (2) Hazard Points. ()

d. Location. A Slashing Area's proximity to structures, highways, and recreational areas will be assigned up to five (5) Hazard Points using the table below. ()

<u>PROXIMITY</u>	
<u>330 feet</u>	<u>5</u>
<u>660 feet</u>	<u>4</u>
<u>990 feet</u>	<u>3</u>
<u>1320 feet</u>	<u>2</u>
<u>2640 feet</u>	<u>1</u>

04. Other Protective Measures. The Fire Warden can consider other protective measures associated with a Forest Operation by reducing Hazard Points for division or isolation of Slashing Areas, access control, and availability of water for firefighting as follows: ()

a. Isolation. The Fire Warden can reduce Hazard Points using the table below if Fuel Breaks or Fire Lines are used to subdivide Slashing Areas into smaller areas and/or isolate Slashing Areas from other forest stands; the maximum deduction is twenty-five (25) Hazard Points. ()

<u>ACTIVITY</u>	<u>FUEL BREAK ONLY</u>	<u>FIRE LINE ONLY</u>	<u>BOTH</u>
<u>Slashing Areas are subdivided:</u>			
<u>A. Partial division of Slashing Area</u>	<u>1-5</u>	<u>1</u>	<u>1-6</u>
<u>B. Slashing Area divided into 2 areas</u>	<u>6-10</u>	<u>2</u>	<u>6-12</u>
<u>C. Slashing Area divided into 3 to 5 areas</u>	<u>11-15</u>	<u>3</u>	<u>11-18</u>
<u>D. Slashing Area divided into 6 or more areas</u>	<u>16-20</u>	<u>4</u>	<u>16-25</u>
<u>OR</u>			
<u>Slashing Areas are isolated from adjacent stands:</u>			
<u>A. One third of Slashing Area boundaries isolated</u>	<u>1-5</u>	<u>1</u>	<u>1-6</u>
<u>B. Two thirds of Slashing Area boundaries isolated</u>	<u>6-10</u>	<u>2</u>	<u>6-12</u>
<u>C. All Slashing Area boundaries isolated</u>	<u>11-15</u>	<u>3</u>	<u>11-18</u>

b. Access Control. The Fire Warden can deduct from the Hazard Point sum for each Slashing Area One (1) Hazard Point if a locked gate system controls road access on all secondary roads to the Operating Area and the Slash on the main road is disposed of or treated. Two (2) Hazard Points can be deducted if -the system controls all roads into the Operating Area. ()

c. Water Supply. The Fire Warden can deduct Hazard Points from the Hazard Point sum for each

Slashing Area for water availability. The supply must provide at least ten thousand (10,000) gallons in any one (1) Operational Period during the fire season. Water supplies accessible to fire engines within one (1) road mile or to helicopter buckets within three (3) air miles are eligible. ()

i. One (1) Hazard Point can be deducted for availability to engines only or to helicopters only. ()

ii. Two (2) Hazard Points can be deducted for availability to engines and helicopters. ()

iii. Two (2) Hazard Points can be deducted for availability to engines or helicopters and the supply self-replenishes every Operational Period. ()

iv. Three (3) Hazard Points can be deducted for availability to engines and helicopters and the supply self-replenishes every Operational Period. ()

~~Slash loads can be determined by using any standard photo series appropriate for the habitat type represented by the contract area, or by using USDA Forest Service General Technical Report INT 16, 1974 (HANDBOOK FOR INVENTORYING DOWNED WOODY MATERIAL). If the contractor insists upon the latter, sampling intensity will be one (1) point per two (2) acres through the area in question. The inventory cost is paid by the contractor. All slash made available as a result of the current harvest will be included in the inventory except that slash that has been piled and will be burned by the contractor before the expiration date on the Agreement or such extensions granted by the fire warden.~~

SITE FACTORS – MAXIMUM 10 POINTS						
ASPECT	PERCENT SLOPE					
	0-10	11-20	21-30	31-40	41-50	≥50
N-NE	0	0	1	2	4	5
E,NW	0	0	1	3	6	7
W,SE	0	1	2	5	8	9
S-SW	1	2	4	7	9	10

UNIT SIZE – MAXIMUM 5 POINTS						
ACRES	≤40	40-160	161-320	321-480	481-640	≥640
PT VALUE	0	1	2	3	4	5

OTHER FACTORS – MAXIMUM 7 POINTS	
Pre-existing slash from operations in the past five years	0-2
Proximity to structures, highways and recreational areas (e.g., parks, established campgrounds, etc.)	Add Points
330 feet	5

660-foot	4
990-foot	3
1320-foot	2
2640-foot	1

In applying offset points to large, complex contract areas, or contract areas with highly variable hazard characteristics, hazard offset techniques must first be applied toward that portion of the contract area which will do the most to reduce the hazard by optimizing fire control effects.

HAZARD OFFSETS <u>REDUCTION (ALL POINTS ARE DEDUCTIONS)</u>		
ALL POINTS ARE DEDUCTIONS		
DISPOSAL	Piling and Burning, Broadcast-Burning, etc.	0-42
<p>If disposal reduces slash load in the contract area to <3 tons, deduct hazard points to five (5) or less. If disposal does not reduce slash load to that level, points should be <u>assigned as a proportion of the proportionate to area treated</u>. For example, if twenty-five percent (25%) of the area is dozer piled and the piles burned, but the slash load in the contract area still exceeds three (3) tons, twenty-five percent (25%) of the total points charged against the job should be deducted. However, if the disposal effectively isolates the untreated portion of the slash or is otherwise placed to optimize fire control effects the proportion of points deducted may be increased to an amount to be determined by the district fire warden.</p>		
MODIFICATION:	Chipping	0-42
	Crushing	0-20
	Lopping	0-10
<p>Lopping standards: All material less than three (3) inches in diameter will be cut so that it does not extend more than twenty (20) inches of the mean height above the ground. In addition, all boles greater than three (3) inches in diameter intersecting another bole will be completely severed. <u>Points are assigned proportionate to area treated.</u></p> <p>Assign points as a proportion of the contract area treated.</p>		
ISOLATION	Fuel Breaks	0-20
<p>To qualify as a fuel break, all slash and available fuels (Ref. Subsection 010.10) must be removed, or piled and burned, or treated sufficiently to prevent a fire from carrying through the area, for a minimum width of one chain (66 feet). In addition, the <u>Pbreaks must be placed to take advantage of terrain, manmade or natural barriers and to provide for optimum fire control effect.</u></p>		
	Fire Lines	0-5
<p>All vegetative material must be removed to expose mineral soil. Minimum width of dozer <u>All excavated lines must be the width of the dozer blade with have all dirt soil pushed in one direction displaced to one side and all vegetative debris to the other.</u> Handlines must be eighteen (18) inches wide; additionally, all fuels must be cleared for eight (8) feet. Lines must be tied to an anchor point except that they are not required to be built through a riparian management zone. In addition, the lines must be placed to take advantage of terrain, manmade or natural barriers, and to provide for optimum fire control effect. Maximum points allowed only if combined with an approved fuel break.</p>		

ASSIGNING POINTS FOR ISOLATION			
Isolation techniques will usually be used to break the area into subunits or isolate the area from adjacent stands. Hazard offsets can be deducted for both if, in the opinion of the fire warden, both objectives are met, and the total isolation points do not exceed 25 offset points.			
ACTIVITY	FUEL BREAK- ONLY	FIRE LINE- ONLY	BOTH
Isolates contract area into subunits:			
— A. — Partial isolation or incomplete units	1-5	1	1-6
— B. — Complete isolation of area into 1 to 2 subunits	6-10	2	6-12
— C. — Complete isolation of area into 3 to 5 subunits	11-15	3	11-18
— D. — Complete isolation of area into 6 or more subunits	16-20	4	16-25
OR			
Isolates contract area from adjacent stands:			
— A. — One third of the contract area boundary isolated	1-5	1	1-6
— B. — Two thirds of the contract area boundary isolated	6-10	2	6-12
— C. — Entire contract area boundary isolated	11-15	3	11-18
ACCESS CONTROL	-0-2		
Locked gate system controls access on all secondary roads with slash treated on main road			1
Locked gate system controls all road access into unit			2
AVAILABILITY OF WATER			0-3
The water supply must provide water availability for engines within one road mile of operating area or within three air miles for helicopter bucket use. The water supply must be sufficient to supply 10,000 gallons in an operational period during the fire season.			
Water supply for engine only or helicopter only (capacity 10,000 gallons during fire season).			1
Water supply for engine and helicopter (capacity 10,000 gallons) or; for engine or helicopter and which replenishes itself every operational period.			2
Water supply for engine and helicopter which replenishes itself every operational period.			3

(3-18-22)

121. -- 129. (RESERVED)

130. LIABILITY FOR THE COST OF FIRE SUPPRESSION.

01. State Liability. ~~With the exception of~~ Except for cases of negligence on the part of the landowner, operator, or their agents, liability for the cost of suppressing fires that originate ~~on in~~ or pass through a ~~sSlashing-a~~ Area remains with the State if the Contractor executes one of the following alternatives ~~is executed by the contractor:~~ (3-18-22)()

a. The ~~contract~~ Slashing a ~~Areas is~~ are covered by a Certificate of Compliance-Fire Hazard Management Agreement and all hazard reduction money payments are current or a proper bond is in place. (3-18-22)()

b. The ~~e~~ Contractor treats the ~~s~~Slash in accordance with the standards outlined in ~~the~~ Section 120; Table II within the ~~time period~~ period specified ~~on in~~ the Agreement or approved extensions. (3-18-22)()

c. The landowner or operator elects to enter into a ~~contract~~ Contract with the State for management of the ~~s~~Slash and release from liability ~~of for~~ fire suppression costs as described in Section 060; ~~in accordance with Section 38-404, Idaho Code.~~ (3-18-22)()

02. Contractor Liability. Should the ~~e~~Contractor choose ~~not to not~~ treat the ~~s~~Slash or not enter into a ~~contract~~ Contract with the State in accordance with ~~Subsection 130.01~~ Section 060, the ~~contractor, in addition to forfeiting any applicable bond,~~ Contractor is liable for fire suppression costs for all fires that originate ~~on in~~ or pass through the ~~e~~Contractor's ~~s~~Slashing ~~a~~ Areas and must forfeit any applicable bond. The ~~e~~Contractor retains the full liability for five (5) years from the time the Agreement or any extension ~~thereof~~ expires, unless a ~~e~~Clearance ~~has been~~ is issued. (3-18-22)()

03. Failure to Treat. Any ~~e~~Contractor who ~~fails to treat the fire hazard as outlined in~~ is liable under Subsection 130.02, is liable for the actual costs of suppressing any wildfire that ~~may occur originates on in~~ or passes through ~~the the~~ Slashing a ~~Areas~~ covered by their ~~individual or separate~~ Agreements for an amount up to two hundred fifty thousand dollars (\$250,000) per Agreement, but no more than one million dollars (\$1,000,000); for separate Agreements with different liable Contractors, the actual costs of suppression up to one million dollars (\$1,000,000) will be shared by the Contractors prorated on the Contract Area acreage of those Agreements. ~~If the same wildfire occurs on or passes through several areas covered by separate agreements or if several Agreements cover the same area, the contractor is liable for the actual cost of suppression up to one million dollars (\$1,000,000). If a wildfire occurs on or passes through an area covered by separate Agreements with different contractors, the actual cost of suppression up to one million dollars (\$1,000,000) will be shared by the contractors prorated on acreage included in their Agreements.~~ (3-18-22)()

04. Fees. Upon payment of the fees set forth listed in Table III, the State will assume liability for the cost of suppressing fires that originate ~~on in~~ or pass through the ~~C~~contract Aarea.

TABLE III - ADDITIONAL FEE TO TRANSFER LIABILITY BY HAZARD POINTS	
POINTS	RATE
6-10	\$1.00/MBF
11-20	\$2.00/MBF
21-30	\$3.00/MBF
>30	\$4.00/MBF

~~Additional fee~~ rates for measurement units other than the board foot ~~measurement unit~~ are available upon request from any Department of Lands office. (3-18-22)()

05. Additional Fee. If the ~~e~~Contractor is unable to reduce the ~~h~~Hazard ~~p~~Points on a ~~C~~ontract ~~A~~ area to the standards required for a ~~e~~Clearance, but has completed some ~~h~~Hazard ~~r~~Reduction work, ~~that the e~~Contractor can discharge the remainder of ~~his the~~ hazard obligation by returning a portion of ~~his the~~ bond to the ~~Fire district District~~ and paying an additional fee to transfer liability. Use the following formula: [One (1) minus (the ~~acceptable low hazard point rating or of five (5)~~ divided by the residual, or untreated ~~hazard Hazard pointsPoints~~)] ~~times the bond rate~~ multiply that ratio times the slash rate. This dollar amount ~~should is be~~ multiplied by the total volume removed from the ~~C~~ontract ~~A~~ area, ~~and A~~ added to ~~that the total volume times~~ the additional fee to transfer liability ~~(from Table III (for the untreated hazard) points, from Table III) times the total volume~~. When this amount is paid to the State the ~~Agreement contract area~~ can be cleared. ~~Which can also be~~ This computation is expressed as:
$$(1-(5/U)) * B * V + (A*V) = \text{Formula to transfer liability for a partially completed job.}$$

Where:

U = Untreated or residual hazard points

B = Bond rate (usually \$4.00 MBF) Ref. Section 050, Table I

A = Additional fee to transfer liability, Table III

V = Total volume removed from the ~~e~~Contract ~~a~~Areas

(3-18-22)()

131. -- 139. (RESERVED)

140. CERTIFICATE OF CLEARANCE.

~~Anyone who has entered into an Agreement must apply in writing to the Director for a Clearance. The Certificate of Clearance is the instrument used to certify~~ies that one (1) of the following situations exists: ()

01. ~~that h~~Hazard ~~r~~Reduction ~~has been was~~ accomplished ~~in accordance with~~to the standards in Section 120.; ()

02. An additional fee was paid per Subsection 130.05; or ()

03. The Contractor entered into a ~~e~~Contract with the Director per Section 060 to ensure hazard management. ()

~~For Subsections 140.01 and 140.02, a contract entered into with the Director to ensure hazard management, or an additional fee has been paid. Anyone who has been issued an Agreement for the cutting of any forest product or potential forest product and who has met standards outlined in Section 120, or has made payment for hazard reduction under a contract with the Director, as provided in Section 38-404, Idaho Code, or has paid an additional fee in accordance with Section 38-122, Idaho Code, must apply in writing to the Director for a Certificate of Clearance. W~~within thirty (30) days ~~after of~~ receipt of ~~such written the~~ request for a Certificate of Clearance, the Director will ~~cause inspect~~ the ~~requested area and issue the Clearance if the applicable requirements were met~~ covered by the request to be inspected. If it is found that the fire hazard has been properly disposed of, the Director will issue a Certificate of Clearance. The Certificate of Clearance must be substantially the same form as Department of Lands Form No. 760 "Certificate of Clearance." (3-18-22)()

141. -- 149. (RESERVED)

150. FIRE SUPPRESSION AND FOREST PRACTICES ASSESSMENT.

01. ~~Withholding~~**Withheld Hazard Reduction Money.** An amount of three percent (3%) of the ~~slash management bond~~ rate (twelve cents (\$.12)/MBF) ~~will be is withheld from~~**assessed against** all ~~slash management monies~~**hazard reduction money** received and dedicated to suppression of wildfires on forest lands. For harvest from private land, an additional amount not to exceed three percent (3%) of the ~~slash management bond~~ rate (twelve cents (\$.12)/MBF) ~~can be is withheld from~~**assessed against** ~~slash management monies~~**hazard reduction money** received and ~~will be is~~ dedicated to Forest Practices support on ~~forest~~**Forest lands****Lands**. (3-18-22)()

02. ~~Assessment Costs~~**Surety Bond or Credit.** ~~Fire suppression assessment~~**Assessment** costs on ~~Forest~~ ~~Operations~~ covered by surety bond or irrevocable letter of credit or other form of bond is paid at the rate specified in Subsection 150.01. (3-18-22)()

151. -- 159. (RESERVED)

160. **PRELOGGING CONFERENCE AND** ~~AGREEMENT~~**HAZARD REDUCTION MANAGEMENT CONTRACT.**

Pre-logging conferences ~~and hazard reduction agreements~~ are encouraged, ~~however, t~~The ~~hazard~~**Hazard reduction** ~~Management agreements~~**Contract** will be canceled or modified if significant operational changes occur during the **Forest Operation** harvesting ~~of forest products or potential forest products~~. (3-18-22)()

161. -- 999. (RESERVED)

STATE BOARD OF LAND COMMISSIONERS

May 21, 2024
Information Agenda

Subject

Department of Lands' Legal Staffing Process

Background

During the 2024 legislative session, the Idaho Legislature provided the Idaho Department of Lands (Department) with the following authority:

58-120. GENERAL COUNSEL TO REPRESENT THE DEPARTMENT OF LANDS. (1) Counsel to the department of lands shall be provided by an attorney hired by the director of the department of lands subject to approval by the state land board. Such counsel shall be independent of the office of the attorney general but may consult with the office of the attorney general as determined by the counsel. Such counsel shall be designated the general counsel for the department of lands. (2) General counsel may hire additional attorneys or contract with the office of the attorney general as necessary. Nothing in this section shall preclude the department of lands from hiring counsel separate from the general counsel.

The legislature provided four full time positions; one lead attorney, two attorney 2 positions, and one legal assistant. Funding for personnel costs, operating expenses and capital outlay was also provided. The positions and funding are available at the beginning of fiscal year 2025.

The Department has a significant amount of ongoing legal business currently in process with the Office of the Attorney General. While the Department is working diligently to fill the positions as soon as possible, there will be a transition period.

Discussion

The Department has identified legal issues in need of continued support prior to the availability of internal legal staff. Additionally, the Office of the Attorney General currently represents the Department in various matters involving litigation.

The Director and staff met with representatives from the Office of the Attorney General to discuss the path forward. The Office of the Attorney General indicated support for a transition process that reduces the potential for problems and offered ongoing support during the transition and beyond where needed. The status of ongoing litigation will be summarized in a letter from the Office of the Attorney General to the Department. The Department will review and acknowledge the letter and provide the Office of the Attorney General with any necessary requests for immediate legal support regarding any other issues.

The Department is currently recruiting for the lead attorney position. Consistent with the statutory requirement, any selected candidate for the lead attorney would be subject to State Board of Land Commissioners (Land Board) approval, with timing dependent on successful recruitment.

The Department expects to advertise for the attorney 2 positions and the legal assistant soon with the goal of lead attorney participation in the selections for the other positions.

